# The Financial Post

20 cents

*Canada's National Weekly of Business, Investment and Public Affairs.*

Vol. XLIX  Twenty Cents an issue, Six Dollars a Year ★ Publication Office: Toronto, February 5, 1955 ★ Member of Audit Bureau of Circulations  No. 6

## New Bank Chiefs

By Gilbert A. Milne

**A. C. Ashforth (left) took over the president's chair and William Kerr became general manager of Canada's newest and fourth largest bank this week. The two officers were general managers, respectively, of Bank of Toronto and Dominion Bank, whose merger has just been approved by Governor-in-Council. The Toronto-Dominion Bank starts out in life with $1,150 millions in assets, 451 branches from Halifax to Victoria staffed by nearly 6,000 employees.**

THE NATION'S BUSINESS

# Are We Past Peak In Ottawa Spending?

It's too soon to cheer about a downturn in government spending. Finance Minister Harris has, for the first time since 1948, managed to keep the main estimates below the estimates for the previous year. For this he deserves a good deal of credit—not so much on the defense side, which was largely a matter of bookkeeping, as in the total of ordinary or civilian expenditures where retrenchment offers hope of permanent government economy.

It now looks as though budgetary expenditures in the present year may be around $4,300 millions—which would be $192 millions less than last year's main estimates, $160 millions less than Mr. Abbott's budget forecast, and $50 millions less than was spent in the preceding year.

The reduction in defense spending almost made itself. In the face of an unspent $200 millions this year, the Defense Department couldn't have expected to be allowed an unaltered ceiling. Hence its estimate was lowered but it has still available nearly $100 millions more than it will likely be able to spend this year.

On the civil side the most gratifying change in this year's estimates is the distinction which has been made between the activities of government which contribute to Canadian development and those which are purely administrative. Results of the distinction are not easy to discern in the curiously antiquated form in which the estimates are presented to Parliament; but they are brought out in an analysis elsewhere in this issue.

An attempt has been made to economize in administrative departments like National Revenue, Finance and the Post Office. But the axe has been more lightly applied to activities like the National Research Council, the Mines Branch, the Geological Survey and the air services which will contribute in coming years, if not immediately, to the development of the country.

It was a difficult job to combine the natural expansion proper to an expanding country in such developmental and research activities with the desired reduction in over-all civil expenditures. Mr. Harris was blessed with one or two advantages like the lower charges for public debt service, and with one or two clear convictions such as the necessity for reducing subsidies, like those to gold mines and for the movement of feed grains, although he hasn't got around to the coal subsidy yet. With these aids he has presented a fairly convincing picture of sensible economy.

* * *

### Did Anyone Gain?

What was gained in the Ford strike?

That question must be uppermost in the minds of the 9,000 workers who are trudging back to assembly lines. Certainly, others are asking it.

After 109 days of idleness and a direct pay cash loss of $11 millions, these Ford workers must have second thoughts about the wisdom of their leaders who directed the whole sorry affair.

The four-cent hourly increase won't go far in cutting down the family debts that have piled up. Anyway, it was offered by the company a year ago and rejected by the union strategists then as an "insult."

Undoubtedly the company has lost a part of its market. How extensive that loss will be—and how permanent—only time will tell. But whatever it is, it will cost production and production, of course, is only another word for jobs.

The $11 millions in wages out of employees' pockets is only part of the story. There is the huge loss for employees of supplier firms, the drop in business for the communities where Ford employees do their shopping. Add to this the domestic misery for the families concerned forced to subsist on a union dole of only a third of the regular pay.

What about the effect of this strike on the rest of the country?

The spectre of this long walkout will certainly loom in front of other unions planning strike action this year. If it shows any union group the folly of boosting costs and crippling production in the face of a sharply competitive market, there may be some small value. But the Canadian public will have to be shown.

* * *

### It's Big and It's Healthy

There would be little to worry about if all our industries enjoyed the buoyant health of our biggest—pulp and paper. In his annual report as president of the Canadian Pulp and Paper Association, R. M. Fowler noted another year of record production, which makes no less than eight in the last decade, and predicted that output in 1955 would be up again.

Despite the vast increase in the productivity of the nation notably in petroleum and minerals, said Mr. Fowler, "pulp and paper has increased the proportion it contributes to the common economic pot of Canada." In 1946 pulp and paper accounted for 4.4% of the gross national production, today that proportion has increased to 5%. In 1954 pulp and paper accounted for almost a quarter of our total exports and over 10% of all freight car loadings.

Analyzed more closely the picture is equally satisfying. The pulp and paper industry is one of the country's leading employers and it is steadily increasing its total employment. Of equal or perhaps greater importance in a climate like ours, it increases seasonal employment substantially in the winter months when many other industries, like construction and agriculture, are forced to curtail operations.

Finally this great industry is based on a supply of raw material, which with care and prudence should prove inexhaustible. "The tree farm movement," says Mr. Fowler, "has now become an integral and important part of the Canadian forest scene."

# Lack of Ships Cuts Canada's Export Trade

### World Shortage Doubles Rates Out Of Vancouver, up 60% in Halifax Since Last Summer — May Continue For Six Months

By PETER NEWMAN

Swiftly climbing ship charter rates are causing a serious vessel shortage at both Canadian coasts, which is interfering with export orders.

Because of a world-wide lack of available bottoms, shippers are having to pay almost 100% more for cargo space in Vancouver and about 60% more in Halifax than last summer. Current average time-charter rate for Liberty ships is $3.60 per deadweight ton —up 75% from last August's $2.05.

Because most export deals are based on letters of credit with definite time limits, some Canadian exporters, especially in pulpwood and cut lumber, have been losing business due to the lack of shipping space.

With the high world demand for merchant ships, foreign-flag vessels have been diverted from servicing Canadian ports to the more profitable trans-Pacific and Mediterranean runs.

"This," W. J. Fisher, general manager of the Canadian Shipowners Association, told The Post, "is one of the disadvantages of not having an adequate Canadian flag merchant fleet. Canadian ships must come home, because they have Canadian crews. A Canadian-flag fleet would go a long way in eliminating the current shipping shortage."

**Fewer Alternate Ports**

The rates are higher at Vancouver because of the more acute vessels shortage there, which is a result of fewer alternate ports of call.

"The drop in shipping coming into Vancouver for grain has meant fewer ships in that port to carry other commodities. We are now in the position where it is a great problem to get ships to carry our pulp," H. C. Green, a Vancouver M.P. told the House

(Continued on page 3, col. 4)

# Canadian Oil Firm Gains Part in U.S. Uranium Deal

By GORDON GRANT

A Canadian oil company, Sapphire Petroleums, has gone into the heart of the U.S. uranium business to complete one of that country's biggest exploration deals.

It involve's Sapphire's acquisition of uranium rights on a 250-square mile Indian reservation just five miles south of what is believed to be the first multi-million ton uranium mine in the U. S. — the Jackpile mine of Anaconda in New Mexico. Sapphire and four large U. S. companies, Freeport Sulphur, White Eagle Oil, Panhandle Oil and White Weld & Co., members of the New York Stock Exchange, have made the kind of deal "mining men dream about."

Under a deal signed last week, the $110 million Freeport Sulphur and associates have agreed to return to Sapphire $101,000 paid for the exploration concession, all its other expenditures, and to give Sapphire a 25% carried interest in any profits realized from future uranium mining.

Freeport and partners must put up all money needed free of interest (except for outside borrowing) and have undertaken to carry out a larger program of work than required under the original agreement with the tribal council.

As Freeport Sulphur is regarded as "relatively tough" when it comes to making a deal, the type of agreement completed is taken as indicating a very high regard for the Sapphire concession which showed a number of radioactive air anomalies in earlier work.

Most deals of similar type usually stipulate that all monies advanced must be returned out of first profits. But Sapphire would come in for a 25% slice of any profits right from the first with capital costs repaid over the life of any mine established and according to good accounting practices.

The uranium hot spot in which Sapphire becomes interested is located about midway between Gallup and Albuquerque in New Mexico. The uranium business there started in 1950 when an Indian, Paddy Martinez, discovered uranium near the town of Grants in the Todilto limestone. Several other discoveries were made in the same year. This was a few miles to the west of the Sapphire location. In 1951 Anaconda Copper Mining Co. was invited by the AEC to install a mill to purchase and process these uranium ores. Anaconda started to search for themselves. Strong airborne anomalies were secured five miles north of U. S. highway 66 and five miles north of Sapphire ground on the Laguna tribe reservation. The discovery became the Jackpile mine which has been described by Senator Clinton Anderson of New Mexico as the first multi-million ton uranium mine in the U. S. It is said to have a grade of between 0.3% and 0.4% $U_3O_8$.

Anaconda has expanded its mill at Bluewater, 15 miles west of Grants, to permit treatment of Jackpile sandstone type ore. Altogether Anaconda is stated to have spent $12 millions on the plant which includes two differing leach circuits for treatment of the two types of ore handled.

In the fall of 1954, the Acoma reservation of 250 square miles south of the Laguna was thrown open to bids. As the Laguna tribe is expected to receive a minimum of $9 millions in royalties, this action was not surprising. A number of large companies bid on the reservation at that time but the Sapphire $101,000 cash bid and agreement to do a minimum of $100,000 work in six months took the ground. The deal finally became effective Dec. 30 after ratification by both tribal and U. S. Government authorities.

Preliminary air survey work by others had shown four air anomalies as a start for exploration. Freeport Sulphur, which will direct exploration for the group, is to start work immediately and will be doing both airborne Scintillometer and ground survey exploration. Uranium-bearing structures in this country occur as flat-lying beds. The area is similar geologically to the Colorado Plateau. The Acoma reservation is cut through with canyons up to 1,000 ft. deep and helicopters will likely be employed in the air exploration work for investigation of canyon walls.

There is a network of roads throughout the southern part of the ground while the main line of the Atchison, Topeka & Santa Fe Rly. and U. S. Highway 66 cut through the north part. This would permit trucking of ore, prior to construction of a mill, if a commercial deposit is established.

REPORT FROM IRELAND

# They Want to Import Capital

### Dublin Leads Drive To Build Export Industries

By KENNETH WHITE

DUBLIN (Staff) — Ireland, land of the welcomes, is getting ready to welcome foreign investment in relatively big style.

The hoped-for source: chiefly dollar land.

The destination: new industry for Ireland.

A conception of this pastoral country as a hive of exporting secondary industry is a new and unpublicized one. But Ireland has been working toward that goal under government impetus for 20 years.

In broad terms, this drive for industry is twofold:

(1) to provide self-sufficiency in manufactures where economically feasible; and

(2) to establish sound export industry.

Now the first phase of the program — which really got going postwar — is rounding the corner. Ireland is self-sufficient in clothing, furniture, boots and shoes and other consumer goods. It's turning a neat export dollar in such products as glassware, wood products, some machinery and such older standbys as textiles, whisky, Guinness.

Right now Ireland has an export credit with Great Britain and Northern Ireland and a deficit with every other trading partner. Its credit, however, is large enough to put its over-all trade balance in the black. (When 1954 figures are in, it also appears that Ireland will have balanced the ledger with the dollar countries for the first time since the war, thanks to invisible exports as well as visibles.)

To bring the over-all trade picture into more comfortable balance, Ireland wants to continue its industrialization program now with the emphasis on export industries, with more emphasis on import capital and with the welcome signs facing particularly United States and Canada.

Canadians will be hearing more from Ireland on its native industrial advantages. And it has plenty to publicize:

—Proximity to and familiarity with the big European markets.

—Its juxtaposition in world shipping lanes.

—A highly protective tariff policy, which works two ways, allowing free entry of many items.

—Stable government over the past three decades.

—An average industrial wage of 111.8 shillings a week (just over $15).

—As an added inducement to the U. S., British preferential tariff treatment.

Evidence of increasing agitation for foreign capital invest-

(Continued on page 3, col. 1)

## PRICES

(See also Trend of Business, p. 15)

**Nash** lowest-priced Ramblers will cost $2,150 (two-door) and $2,250 (four-door) factory-delivered, Toronto. Same for similar Hudsons. Reason for lower prices: Hiked efficiency following Nash-Hudson merger. Lowest Nash last year, other than English-made Metropolitan: $2,476 for two-door custom.

**Cheaper teas** up 8c lb., as shortages continue. Tightening demand argues against rise for top-quality teas.

**Color TV tubes, transistors** showing signs of general downtrend. Result: The day of economical color TV sets, powerful compact transistor radios and TV sets moves closer.

**Copper** got long-expected boost of 3c to 33c U. S. currency, somewhat less Canadian depending upon exchange rate. After holding out strongly against increase, Anaconda in U. S. made the change that led producers to 10% higher level.

**Heavy rayon yarns** up 3%-7½% in U. S. Canada usually follows U. S. lead. Reason given: Rising costs.

**Fur** firming as predicted. Meaning: Last year's prices were too low to encourage supply; European buyers have been competing for furs at lower prices.

**Feed grain** from Prairies shipped to Ontario, Quebec, B. C., will cost more following $1.5 million cut in annual federal subsidy on transport charges. Little effect likely on livestock, meat prices.

**Tires** boosted up to 7½% by four companies, in line with earlier increases by other companies. Reason: High cost of natural rubber, whose firmness now has been strengthened by Far East international situation.

# Start First Seaway Canal This Month

Work will start this month on Canada's first major St. Lawrence Seaway job, a $6,470,000 canal and lock at Iroquois, Ont.

The project will employ at least 250 men for two years, plus men employed by subcontractors. The canal, a ditch almost a mile and a half long, calls for 4.4 million yds. of excavation and 270,000 cu. yds. of concrete.

St. Lawrence Seaway Authority awarded the contract last week to Pentagon Construction Co., Montreal, and Iroquois Constructors Ltd., Toronto, which jointly submitted the lowest of 11 bids.

This is the largest Canadian Seaway contract let so far, but Ottawa observers expect "a good many more" between now and June.

The Iroquois canal will oust seven families from their riverside homes, but the Seaway Authority has set up no resettlement scheme. The Authority will buy the land outright and let the former residents relocate themselves.

By mid-week, there were indications that the U. S. would duplicate the Iroquois canal on the U. S. side of the river. If the U. S. St. Lawrence Seaway Development Corp. does not build a parallel canal, it must go back to Congress for an amendment to the Wiley Act.

The U. S. agency already has awarded a contract (to Badgett Mine Stripping Corp.) for the

(Continued on page 12, col. 1)

# It's Hard To Even Guess Trans-Canada Earnings

Just what are the profit potentialities of the much beleaguered Trans-Canada Pipe Lines project and does anyone stand to make a killing?

With Ottawa now faced with the possibility of guaranteeing the pipelines bonds to ensure a spring 1955 construction start on the line, a sharp new look is being directed at the whole pipeline setup.

In a question in the House of Commons it was suggested that earnings on the common stock would be 20%-40% a year. On the other hand, most estimates now availabe indicate earnings will be considerably less—and nonexistent possibly in the first years of operation.

Earnings estimates at this stage are "very much" just estimates because of several important variables.

To start with, there has been a fairly wide range in pipeline cost and market estimates in the several independent surveys already completed. On top of that, one can only guess at the speed of market build-up. That in turn depends on such undecided factors as U. S. markets, depreciation setup, aggressiveness in building up industrial loads, etc.

In present setup, ownership of Trans-Canada is divided: 50% to the original Trans-Canada — or Clint Murchison group in U. S. —and 50% to former Western Pipe Lines group (12½% to International Utilities Ltd., of U. S.; 12½% to Osler, Hammond & Nanton, Winnipeg; 12½% to Nesbitt, Thompson & Co. interests and 12½% to Wood, Gundy & Co.)

Original capital setup was planned to be 70%-75% bonds, the remainder equity financing (convertible debentures and/or preferred and common stock). It looks now that some $40-$50 millions in common stock will be

(Continued on page 12, col. 1)

# Call Recess In Bid Strike, Urge Architects To Action

The bidding "strike" of mechanical and electrical subcontractors at Toronto has been called off — for one month.

In a joint move, their trade associations advised members to observe a "recess" in their recent policy of bidding only to architects and owners.

Their reason is "the extremely co-operative attitude of the Canadian Construction Association and because the two trade associations do not wish to prejudice talks which, it is hoped, will take place between architectural associations, general contractors associations and the subtrades groups."

But a March 1 deadline has been set, after which the bidding "strike" will be resumed if arrangements to implement the CCA's new bidding code have not progressed satisfactorily.

This pressure is on the Ontario Architects Association, rather than the general contractors.

The statement released by the National Association of Master Plumbers and Heating Contractors and the Electrical Contractors Association of Ontario notes that on Jan. 12 the president of the CCA asked the Royal Architectural Institute of Canada to suggest to provincial architects associations that they start talks on bidding with local or regional contracting groups "as soon as possible."

"However, so far, there has been no sign that the Ontario Architects Association has been empowered by the RAIC to meet the NAMPHC and ECA," the subtrade associations note.

The trade associations state their only aim is the sanctity of bids. That is, they want to be assured that subtrade bids do not become known to subcontractors before awards of subcontracts, which makes possible private undercutting of the lowest competitive bid.

They adopted the policy of bidding to architects rather than general contractors (The Financial Post, Dec. 18) as a means of achieving this, or at least forcing the rest of the industry to discuss other means.

However, the Canadian Construction Association has since passed a code of good practice which it was agreed would be implemented by suitable local methods. Now the trade associations are impatient for the OAA, which had said the matter should be decided by the RAIC, to discuss systems of preserving sanctity of bids with them and the general contractors. They are willing to consider other means than bidding to architects and owners only.

# Defense Spending May Not Go Down

### Estimates Are Lower, But Ceiling On Cash Spending For Defense In Coming Year Is Higher Than Actual Spending Since The War

By MICHAEL BARKWAY

OTTAWA (Staff)—Defense spending in 1955-56 could be higher than since the end of the war. This is the reality behind the publicized cut in defense estimates for next year.

It comes about this way:

The ceiling on actual cash spending by the Defense Department next year has been set at $1,863 millions. The most it has ever spent since the war was $1,814 millions in 1952-53.

Next year's ceiling on cash spending is fixed by adding to the budgetary appropriation of $1,775 millions, the sum of $97 millions from the special account, less $9 millions as a credit against transfer of old equipment.

Use of this special account is one of the factors which falsifies the budget estimates as a measure of actual spending. The other factor is that spending has never yet come within $100 millions of the budget estimate.

A table on page 3 shows how actual cash spending each year since 1950 has varied from the budgetary appropriation, and how budget funds have been tucked away in the special account. The 1954-55 spending figure is a forecast made on the best available evidence at the present time.

Another table shows details of 1954-55's forecast spending compared with the estimates for 1955-56. It shows that the defense department will have nearly $100 millions more to spend than it can use in the present year.

Personnel costs (pay, allowances etc.) are estimated to be $20 millions higher, and operations and maintenance will be $50 millions higher. This still allows for an increase in defense construction of $37 millions. But there is a drop of $11 millions in the allowance for procurement of equipment.

On the equipment front, this is how next year's expenditure is budgeted:

**Air Force:** $381 millions; down $2 millions from 1954-55's actual spending.

**Navy:** $151 millions; down $4 millions from this year's actual.

**Army:** $107.5 millions; up $10 millions.

And here is the score on construction, using the same comparison between what is likely to be spent this year and what will be available to spend next year:

**Air Force:** $73 millions for next year; up $12 millions from this year.

**Navy:** $14 millions; about the same as this year.

**Army:** $70 millions; up $24 millions from this year.

The largest slice of the money for new equipment has always gone for aircraft and engines. But this figure is coming down.

Last year the RCAF budgeted for $395 millions for aircraft and engines. It looks as though it will spend $331 millions. For next year it is given $293.5 millions.

The Navy's air requirements are much more modest, but they are going up. Last year the RCN had $23 millions for aircraft and engines. It will spend about $15 millions. Its ceiling for next year is $26 millions.

If Defense Department spends all its money next year, it could be the biggest year ever. How much is it likely to spend?

Both defense and financial authorities insist—as they do every year—that this time it will spend much nearer its budget. In some fields, like construction, an attempt has been made not to allow for anything without clear assurance that it can be done in the year. But even in this field some projects are very uncertain.

Buried in the figures for procurement of equipment, construction and transportation, for example, are the expenditures on the Mid-Canada line of interceptor stations. No one can be certain how much of this scattered installation it may be possible to put in place in the short summer season. Success or failure on this alone could make a difference of $50 millions either way.

The defense budget for next year is said to be much tighter than it has been in previous years. But it still leaves plenty of room for all the vital projects that have to be done; and on previous years' experience some shortfall will probably result.

# *Slim Cut in the Estimates Not All It Appears To Be*

OTTAWA (Staff) — Are we over the hump in the seemingly endless row of ever-increasing budgets?

This year's Main Estimates of government expenditure for the coming year are lower than last year's estimates. And it is the first time since 1948 that this has happened.

But the Estimates of expenditure for next year are not lower than actual expenditure in the present year. They are perhaps $60 millions higher than this year's spending is likely to come to. And, by contrast with this year, there may be a better chance of next year's spending coming nearly up to the appropriations allowed by Parliament. They certainly ought to, if the economy drive has succeeded in squeezing the water out of departmental estimates as was intended.

So before you happily assume that government expenditure is over the hump, consider these few cautions:

—**The main decrease** this year is in defense spending — nearly $150 millions below last year's estimate, but $70 millions above what now looks like being spent this year. The lower defense cost could last a year or two; but ahead of us after that is the new era of guided missiles, and this may mean another upsurge in defense.

—**The decrease in civilian expenditures** is only $4 millions, on a total of $2,500 millions. It is less a decrease than a halt in the long succession of increases. And it was made possible only by a reduction in interest payments, which is unlikely to happen another year, by an economy drive which — to a considerable extent — must be a one-time only effort, and by a reduction in the government subsidies for gold mines and feed grain movements (which could possibly be repeated).

—**The total decrease** in next year's estimates — amounting to $153.5 milions compared with last year's estimates — still leaves government spending for the coming year with a ceiling of $4,360 millions compared with a total for this year of about $4,300 millions.

—**This year,** for the first time

(Continued on page 3, col. 1)

## Stock Market Highlights

### Industrials

**Aluminium Ltd.** common strong again at $75¾ a share, up $5 a share from week ago. Rights to new shares expired Jan. 31.

**General Dynamics** common hit record $101½, up $12 in a week, on announcement of 100% stock dividend and higher cash dividend rate.

**Massey-Harris-Ferguson** common firmer in past week after slight dip a couple of weeks ago; trading at or just under $10-share mark. A $25-million, 4½% convertible preferred issue planned.

### Mines

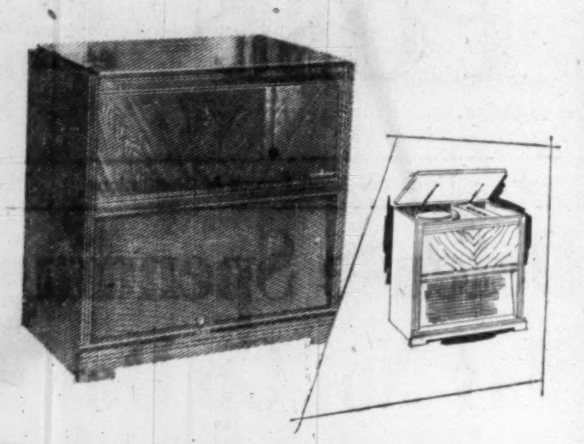
**The rise in copper** by 2c a pound in Canada, 3c in U. S., firms up base metal issues. Inco and Falconbridge Nickel both sell at new 1954-5 highs ($60 and $25 respectively). Noranda eases after selling at $85 but Hudson Bay records new 1954-5 high of $58.50.

**Algom Uranium** sells up to new all-time high of $15.75 on reports completion of both major financing and marketing contract with Eldorado likely to be announced shortly.

**Gunnar Mines** establishes itself above $13 on reports earnings expected to be higher than anticipated earlier.

**Consolidated Denison** stages sharp recovery after last week's sell-off as No. 5 hole reported entering quartzites.

**Jonsmith Mines** jumps sharply Tuesday to sell at 75c as No. 106 hole on New Dominion "clicks." Hole returns 2.10% nickel and .33% copper over 20 ft. or 1.45% nickel and 0.36% copper over 36 ft. with second zone apparently coming in lower down. No. 130 hole gives 1.27% combined nickel-copper over 43.3 ft.



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## Announcing

**Anglo - Newfoundland Development Co. (Grand Falls, Nfld.)**—J. E. Manuel, assistant to president; T. R. Moore, general manager.

**Arosa Line (Canada) Ltd. (Montreal)**—C. J. H. Wieling, manager, new Toronto office.

**Association of Professional Engineers of Manitoba (Winnipeg)**—Professor Jack Hoogstraten, president.

**Canadian Celanese Ltd. (Montreal)**—Peter P. Haynes, stylist.

**Canadian Carborundum Co. (Niagara Falls, Ont.)**—Henry W. Burri, general sales manager.

**Canadian Pulp and Paper Association, Western Division (Vancouver)** — M. J. Foley, chairman; Clifford Crispin, vice-chairman; Paul E. Roberts, L. L. G. Bentley, Wentworth Brown, B. M. Hoffmeister, Frank N. Youngman, H. S. Foley, J. A. Craig, E. M. Herb, members executive committee.

**Canadian National Railways (Montreal)** — E. P. Stephenson, system signal engineer; James C. Crouchetiere, division freight agent at Quebec City.

**Canadian Research Institute of Launderers and Cleaners (Ottawa)**—W. S. Richardson, president.

**Coca-Cola Ltd. (Toronto)** — William (Bill) Vanderburgh, advertising manager.

**Confederation Life Association (Toronto)** — C. R. Scarrott, superintendent, group sales.

**B. Elliott (Canada) Ltd. (Port Hope, Ont.)**—Col. H. T. Goodeve, a director.

**Federated Co-operatives Ltd. (Saskatoon)**—George Urwin, president; W. J. McSorley, 1st vice-president; L. L. Lloyd, 2nd vice-president; C. B. (Bun) Fraser, general manager, merchandising, management services, personnel and branch operations; D. E. (Dave) Stewart, general manager, administration of finance, productive plants and administrative services; H. L. Fowler, secretary; J. J. Siemens, associate secretary.

**General Paint Corp. of Canada (Vancouver)**—Allan C. Kelly, vice-president.

**Household Finance Corp. of Canada (Toronto)**—D. F. Purdon; L. A. MacDonald, P. M. Powell, district supervisors at Toronto; A. L. Potter, R. L. Charette, district supervisors at Montreal; D. G. Bennett, personnel supervisor at Toronto.

**Howards & Sons (Canada) Ltd. (Montreal)**—S. E. Simco, director.

**Kruger Organization (Montreal)**—Alex. B. Edwards, traffic manager.

**Industrial & Development Council of Canadian Meat Packers (Toronto)**—George A. Schell, executive vice-president, Canada Packers Ltd. (Toronto), president.

**John Labatt Ltd. (London)**—L. P. Gelinas, director.

**Lake of the Woods Milling Co. (Montreal)** — Arthur Atkins, director.

**Metropolitan Life Insurance Co. (Ottawa)** — J. S. Brown, assistant superintendent of agencies in Canada.

**Northern Life Assurance Co. of Canada (London)** — C. H. Bastla, agency secretary.

**Northwestern Ontario Timber Operators Association (Port Arthur)**—H. H. Styffe, president; P. V. LeMay, vice-president; M. Cochran, D. E. Graham, A. M. Jones, H. MacLaggan, H. S. Mosher, W. Thom, executive members; T. S. Jones, secretary-treasurer.

**Osmose Wood Preserving Co. of Canada (Montreal)** — Charles M. Miller, vice-president in charge of production and development, and its paint division, protective coatings.

**Poultry Products Institute of Canada Inc. (Toronto)** — M. E. Pringel, Calgary, chairman; W. H. McLellan, Regina, vice-chairman; R. A. Blair, Toronto, treasurer; W. A. Maw, Ste. Anne de Bellevue and W. J. Landreth, Winnipeg members executive committee; F. W. Beeson and K. J. Taplin, Vancouver; J. I. Wright, Edmonton; W. W. Brown, Regina; W. W. Wilson, Saskatoon; C. L. Anderson, Winnipeg; W. T. Murchie, Toronto; J. G. Tweddle, Fergus, Ont.; Murray Smith, Aylmer, Ont.; O. Grignon, Montreal; A. L. Blenkhorn, Greenwich, N.S., directors.

**Readers Digest Association (Canada) Ltd. (Montreal)**—William E. Browning to Montreal sales staff.

**Ross Roy of Canada Ltd. (Windsor, Ont.)**—William E. Barfoot, account executive.

**Sales Campaigns Ltd. (Toronto)**—David Segsworth, program co-ordinator, at Toronto.

**Swiss Corp. for Canadian Investment (Montreal)** — Marc Spitzer, president, Alan A. Macnaughton, director.

**Taylor Instrument Companies of Canada (Toronto)** — E. J. Sheare, managing director.

**Timkin Roller Bearing Service & Sales Ltd. (St. Thomas, Ont.)**—J. O. Shannon, manager, new sales office and warehouse at Winnipeg; A. B. Clarkson, manager, new office and warehouse at Vancouver.

**TCF of Canada, Ltd. (Montreal)**—Oliver L. Niehouse, sales promotion manager.

**Trans-Canada Pipe Lines Ltd. (Calgary)**—B. E. Lowe, manager of sales, with headquarters at Toronto.

**Toronto General Trusts Corp. (Toronto)** — Gordon C. Lindsay, C.B.E., director and vice-president; continues as general manager.

**Vancouver Machinery Depot and Vancouver Iron Works Ltd. (Vancouver)**—Donald B. Grant, president and general manager, both companies.

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THE CANADIAN ANALYST
P.O. Box 373, Station "H"
Montreal, Canada

# Britain's 1955 Trade Fair Blows A Private Trumpet

*At 9.30 a.m. precisely, a tall, soldierly figure in the British Board of Trade blue uniform of commissionaire steps forward. Gold braid, medal ribbons glitter. With a gesture of restrained dignity, he throws open the door.*

*And another British Industries Fair is officially on . . .*

That, believe it or not, is how the world's biggest trade fair — The British Industries Fair — was opened each year for 33 years. No fanfare, no line-up, no flag-waving or speeches.

But this year — it will be held in London and Birmingham simultaneously from May 2 through May 13 — things are going to be different. Here's why:

The management of the BIF has changed hands. Up to July last, the running of the Fair was the responsibility of the Board of Trade, under the aegis of the British Government. They footed all the bills, and, naturally, laid down the policy.

Since the Conservatives came to power, the tendency of the Government to toss back to industry what rightfully belongs to industry has become more and more marked. Controls have been scrapped, industries de-nationalized.

Then the Government set up a committee headed by Sir Ernest Goodale, who had led the Board of Trade Advisory Committee on Exhibitions and Fairs since 1948. Its purpose — to enquire into handing over the BIF to industry. The committee's report recommended this should be done.

Sir Ernest was told, "You've practically earned the title of 'Mr. BIF' in past years — go ahead now and implement the report."

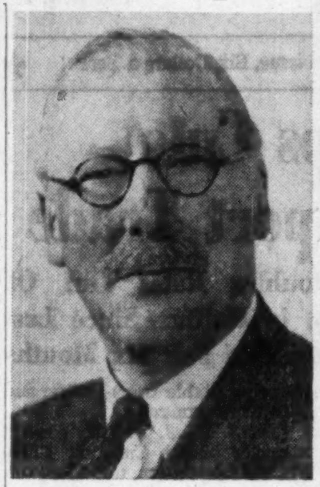
Thus there arose the private company, British Industries Fair Ltd. Its function:

—To operate the fair so that the name and fame of British industry would stay up among the world leaders.

The board of directors was appointed by four trustees: the Federation of British Industries, the National Union of Manufacturers, the Association of British Chambers of Commerce and the Trades Union Congress.

It consists of Sir Ernest Goodale as chairman (he is also chairman and managing director of Warner & Sons Ltd., leading British textile firm); W. J. Arris, managing director of Burroughs Adding Machines Ltd.; R. P. S. Bache, Birmingham Chamber of Commerce, and member of the old Birmingham management committee of the Fair; H. N. Hume, chairman of Charterhouse Investment Trust; F. R. B. Whitehouse, chairman and joint managing director of Chad Valley Co.; Kenneth Horne, sales director of Triplex Safety Glass Ltd.

In that last name, lies the key to the new policy of the BIF.



SIR ERNEST

Kenneth Horne is not only a leading figure in the business world, but is also one of Britain's top radio and TV comedians. His job will be to put BIF across to the public — all over the world.

The significance of his inclusion cannot be overestimated. Britain is starting to blow her trumpet — hard. What could be more heretical in BBC-Britain than that radio time has been taken for BIF advertising. But it's all part of the new BIF look.

For the first time, the Fair will be opened by a public figure. Earl Mountbatten of Burma, cousin of Queen Elizabeth, has accepted the invitation.

Mountbatten, due to take over as First Sea Lord in March signalled his willingness on crested notepaper of the house where he was staying — Sandringham, Her Majesty's home.

Flags will be the symbol of the 1955 Fair. They will also symbolize the break-away from the staid and serious atmosphere of previous fairs. "It must be made gay and attractive," said Sir Ernest.

Here are some of the new look features:

—The general public have hitherto been considered kin to a nuisance at the Fair. Now they will be welcomed every day after two p.m., and two evenings up to nine p.m. This is the first time the BIF has been open after six p.m.

—A direct mail campaign of 200,000 letters has been undertaken. Cost of exhibiting has been reduced, along with cost of stands and lighting. New products and processes will be highlighted.

—The chairman went on a five-day whirlwind tour, to Canada and the U. S. to tell about the new setup. And with Sir Ernest doing that job, it was a piece of personal advertising that should pay off handsomely. His obvious, barely-curbed enthusiasm was as infectious as his hearty laugh.

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THE CHARCOAL BLAZER

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Each, 37.50

Simpson's

THE STORE FOR MEN — SECOND FLOOR — Dept. 260

# Ottawa Studying Gas Line Problems

OTTAWA (Staff)—The Government's decision on the requested guarantee for bonds of the Trans-Canada Pipe Lines Co. is not expected until about mid-February. It will almost certainly be delayed until Prime Minister St. Laurent returns from the Commonwealth prime ministers' meeting in London, and that will not be until Feb. 10 or 11.

Finance Minister Harris was not expected to get a report on the investigations which were being made by the Bank of Canada until the end of this week at the earliest.

It is understood that the studies by the bank and other government experts are going into all aspects of the problems involved in an all-Canadian pipeline. They include the possibilities of private financing, the capital structure of the company, and the probable range of prices and earnings.

Special attention was being given this week to market possibilities. The Trans-Canada company did not submit any detailed and complete market survey which would reconcile the divergent forecasts of some of the earlier independent surveys. In particular the Government's technicians were exploring the possible range of sales on an uninterruptible basis to industries in Eastern Canada and in Western Ontario. This is a field of sale to which the pipe line company had not given much attention.

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Under and subject to the terms and conditions of agreements, the undersigned and others have agreed to purchase any of the additional common shares not subscribed for by the exercise of Subscription Warrants. Copies of the Prospectus and other information concerning this offer may be obtained from any of the undersigned.

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Societe Generale de Finance, Inc.
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February, 1955

# Estimates Cut— By How Much?

(Continued from page 1)

since the war, the Minister of Finance was able to impress on his colleagues that he faced a real deficit. This immeasurably strengthened his hand in curbing departmental expenditures.

### Supplementaries to come

Remember also the limitations of the Main Estimates as a measure of government spending in the succeeding year. They are always followed, in the early summer, by Supplementary Estimates to take care of new expenses voted by Parliament or other unforeseen expenses. Toward the end of the financial year also come "Further supplementaries."

In spite of these inevitable later increases in appropriations, the Finance Minister always gives in the Budget his own estimate of what he thinks the Government will actually spend. This is usually a little lower than the total of the Main Estimates. He knows that each of the 550-odd separate votes represents a ceiling on expenditure in that category. They cannot all be spent completely. He has to guess how much the shortfall will be.

For example, last year Mr. Abbott's main estimates came to $4,492 millions. Later supplementaries of $22 millions brought this parliamentary appropriation to $4,514 millions.

In the budget speech last year Mr. Abbott guessed his actual spending for the year at $4,460 millions. As it looks now, expenditure will probably come to about $4,300 millions.

Defense is expected to be about $200 millions below its estimates, whereas Mr. Abbott allowed for only about $100 millions' shortfall. Public Works will probably be about $25 millions behind, in spite of every effort to spend to the limit. But some other items will exceed estimates, such as the gold and grain subsidies, which will have to be covered by "Further Supplementary" estimates to be voted by Parliament this session.

### Next Year's Estimates

By comparison with this forecast of actual spending in 1954-55, next year's main estimates of $4,360 millions show some increase. (See separate stories on the defense and civilian sectors.)

To get a picture of what will be spent next year — as distinct from what Parliament will be asked to appropriate — these are the two main considerations:—

—As far as can now be foreseen, the supplementary estimates will not be more than $20-$30 millions. This is always assuming Parliament doesn't vote for some new and expensive project.

—As far as can now be judged, the new main estimates leave much less room for a shortfall than last year's.

Some shortfall is inevitable. But the old pre-war rule was that it would be about equal to the supplementary estimates. Certainly if this year's economy drive is as good as its sponsors think and hope, then the Departments must spend much more nearly up to their limits.

If Mr. Harris fully believes in the success of his economy drive, his budget estimate of expenditure cannot be much lower than the Main Estimates. It might be, in round terms, $4,350 millions.

In which case, these Main Estimates do mean that next year's spending will be only moderately (say, $50-$60 millions) above this year's spending.

But it would be something else again to say that government expenditure has now hit a downward trend.

**RECORD OF ESTIMATES AND ACTUAL SPENDING**
**$ Millions**

| | Main Estimates | Total Parliamentary Appropriation | Actual Spending |
|---|---|---|---|
| 1947-48 | 1,996 | 2,197 | 2,196 |
| 1948-49 | 1,985 | 2,286 | 2,176 |
| 1949-50 | 2,218 | 2,400 | 2,449 |
| 1950-51 | 2,309 | 2,927 | 2,901 |
| 1951-52 | 3,587 | 3,932 | 3,733 |
| 1952-53 | 4,298 | 4,450 | 4,337 |
| 1953-54 | 4,404 | 4,529 | 4,350 |
| 1954-55 | 4,492 | ? ? | 4,300* |
| 1955-56 | 4,360 | ? ? | 4,350** |

*Forecast by The Post, based on 9 mos. figures.
**Forecast by The Post of the spending estimate the Finance Minister will have to make in his budget.

**CASH SPENDING BY DEFENSE DEPARTMENT**
**Compared with Budget Appropriations**

| YEAR | Budget Approp. | Cash Spent | Charged to Budget |
|---|---|---|---|
| 1950-51 | 784 | 606 | 782 |
| 1951-52 | 1,609 | 1,389 | 1,415 |
| 1952-53 | 2,002 | 1,814 | 1,882 |
| 1953-54 | 2,001 | 1,784 | 1,806 |
| 1954-55 | 1,908 | 1,766 | 1,706 |

NOTE: In each year until 1954-55 budgetary funds were being used to cover transfers of equipment to NATO allies. The funds were actually accumulating in the special account on which the Canadian Forces (mainly the Army) were allowed to draw for replacement of the equipment transferred. This year for the first time the drawings on the special account exceed the payments into it. So in 1954-55 for the first time since Korea the Defense Department is spending more than is charged to the Budget. The same thing is planned for next year.

**1954-55 ESTIMATES AND FORECAST**
**Compared with 1955-56 Estimates**

| | 1954-55 Estimates | 1954-55 Results* | 1955-56 Estimates |
|---|---|---|---|
| Military Personnel Costs | 423 | 446 | 457 |
| Procurement of Equipment | 851 | 686 | 675 |
| Construction | 184 | 124 | 161 |
| Operations and Maintenance | 546 | 509 | 560 |
| Gross Cash Spending | 2,010 | 1,766 | 1,863 |
| Add Transfer of Mutual Aid Equipment credited to the Special Account | 35 | 37 | 9 |
| Deduct Service Costs paid out of Special Account | 137 | 97 | 97 |
| Leaves Budgetary Expenditure | 1,908 | 1,706 | 1,775 |

*As now forecast.

# Estimates for Public Works Higher than Current Outlays

OTTAWA (Staff)—The Government has applied a three-way measure to its civilian expenditures in the coming year. Detailed examination of the main estimates for 1955-56 shows an attempt to divide Government activities into three classes, and to judge each differently.

Here are the three:

1. Public works and projects which can help to provide employment.

2. Development activities, which may not contribute much to economic activity this year, but which could not be curtailed without risk of holding up long-run economic expansion.

3. Administrative activities, where a tightening-up was the one requirement.

**1. Public Works.** Taking in all Government accounts in the broadest sense, it is planned to spend about $100 millions more on public works in 1955-56 than will actually be spent in the current year. This calculation includes a good deal of work to be financed by loans and investments rather than straight budgetary funds. It includes, for example, the advance of $50 millions to the Seaway Authority, and other loans such as Atomic Energy Ltd. for capital works.

The regular departments will not get more works built in the coming year unless they improve their performance over previous years. The funds to be voted to them for public works are not, over-all, higher than the current year. But a serious attempt has been made not to include funds for any project which cannot be carried out during the year.

The Department of Public Works, for example, has only $5 millions more in its estimate than it did last year. But its shortfall will be almost $25 millions. So it has the chance to spend $30 millions more than in this year.

In preparing the estimates for Parliament, the Government permitted all public works projects which could be shown to be useful in themselves, and which the departments promised to carry out during the year—with one exception.

The Department of Transport wants a number of new ships, and it was not allowed funds for them in 1955-56. This was a matter of deliberate policy to spread out the Government's shipbuilding work. The D.O.T. ships will be delayed until they can follow along the present naval vessels in Canadian yards.

**2. Development Work.** The so-called "development group" of departments included the National Research Council, Atomic Energy Ltd., Mines and Technical Surveys, Northern Affairs and Natural Resources, research activities in Agriculture, air services in Transport.

The yardstick applied to them was that economy must be applied in operations, but that the normal expansion of staff to meet new requirements must go on. It was particularly determined that the flow of recruitment of technical people, engineers and such must not be arbitrarily interrupted. New men and young men must continue to be taken on to ensure that the work of research or survey or whatever it was could retain its quality.

Thus, for example, the full-time staff of the Mines Branch will be increased from 523 to 599 (excluding administration, which remains the same). The vote for surveys and studies of the Columbia River Basin goes up from $377,000 to $641,000. The staff of the Northern Affairs administration will be increased. A small "Northern Research Coordination Centre" will be established in Ottawa. The National Research Council gets an increase of $632,000. The civil aviation division of the Department of Transport gets an extra $4 millions (mostly for new airport works), though the department as a whole has been cut by $10 millions.

In the Department of Agriculture, to take another example, the science service vote is down over-all, but provision has still been made for some increase in the scientific staff.

**3. Administration.** The main economy drive has been concentrated on the administrative departments like National Revenue, Finance itself, Trade and Commerce, Post Office. The general rule which the Treasury Board tried to apply was that increases required for one expanded activity should be found out of some other activity which was declining. This approach was enforced through the establishment survey (The Post, Nov. 6), which tried to spot the places where work was declining (which often go undiscovered) as well as the places where it was expanding (which departmental authorities always are ready to talk about).

# Ireland Seeks More Capital

(Continued from page 1)

ment and a basic need for it came in a recent speech here by former Industry and Commerce Minister Lemass, now deputy leader of de Valera's Fianna Fail (the Opposition) party. Lemass held that Irish business leaders were not in sympathy with the national effort and that part of the answer to this might lie in the restrictions which had been placed on the participation of foreign capital in Irish industrial expansion.

Part of this was politicking. But Ireland is aware of the notoriety its Control of Manufactures Act (1932) has had outside the country. The Act (incidentally one originated and passed by Lemass's own Fianna Fail) was designed as part of a broad program to induce locals to establish industry. It holds that industry in Ireland cannot be established by "nonqualifying" persons, that effective control (two-thirds majority of the voting shares) must be held by nationals and that nationals must make up a majority of the directors.

In practice, the Act is not as rigid as it sounds. A "New Manufacture License" can be obtained to enable foreigners to skirt it and since the CMA was passed, 224 such licenses have been issued and "not one proposal refused."

But the Act's notoriety — or a misunderstanding of its loopholes — does exist.

The Irish Dept. of Industry and Commerce has streamlined its over-all aid-to-industry program in actual practice. Here are some of the aids being offered:

—Operation of Industrial Credit Co., which was set up in 1933 to fill a gap in the provision of capital for expansion. A joint government-private organization, it has since floated some £15 millions.

—A Trade Loan (Guarantee) Act empowers the minister of industry and commerce and the minister of finance to guarantee loans for expansion. In 1952 the over-all "ceiling" under this act was raised to £2.5 millions.

—A total of £2 millions was also provided in 1952 by the Undeveloped Areas Act, which provides for outright grants to industry establishing in outlying areas, largely west of the Shannon River.

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NO. 302 C P R BLDG. . SASKATOON
510 - 8TH AVE. W. . . . . CALGARY
525 SEYMOUR ST. . . VANCOUVER

The Western City Company
Limited
544 HOWE ST. . . . . . VANCOUVER

## Look For It Here

February 5, 1955

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# Lower Level of Interest Helps Ottawa Cut Estimates

OTTAWA (Staff) — Reduction of the Government's expenditure estimates for 1955-56 on the civilian side is made possible only by the lower level of interest on the public debt. But don't assume the Minister of Finance is making any prophecy about interest rates.

The estimated charge for interest on public debt and amortization of bond discount etc. in the coming year is $24 millions less than it was this time a year ago. This reduction almost matches the increase in welfare payments, such as family allowances, old age assistance and the new disabled persons allowances.

But for this saving civilian expenditure in the coming year would still have been substantially higher than the estimates for the present year.

Another more or less fortuitous saving this year is the contribution to the Government's Superannuation Account. Last year an extra $13 millions had to be put in to cover the block entry of employees who had been temporary up till that time. This extra payment is not repeated this year.

The calculation of public debt charges for the estimates is a strictly mechanical affair. When the 1954-55 estimates were being made up a sum of $492 millions was included. This was on the basis of interest rates prevailing at that time (pre-Christmas, 1953). It also assumed that all the maturing issues of government securities would be refunded with the same coupon as the maturing issue. It made no allowance for shifts in government debt from short to long term issues, or for other possible changes in interest rates.

In the result, the Government's interest charges in 1954-55 are now expected to come to only $478 millions. This allows $397 millions for interest on the funded debt, as it will stand on March 31, and about $80 millions for interest on the many unfunded pension, trust and superannuation accounts—many of which bear statutory interest at 4%.

Estimated interest payments for 1955-56, therefore, are sharply down from the estimates of a year ago; but show only a slight reduction from the payments expected to be actually made in the present financial year.

The reduction in charges in the present year results mainly from these three factors:

—Generally lower interest rates.

—An increase of about $240 millions in the debt held in form of low-interest Treasury Bills.

—A net reduction of perhaps $60-$75 millions in the funded debt.

In offset to the issues redeemed at maturity, there is an increase of perhaps $500 millions in outstanding Canada Savings Bonds with a 3¼% coupon. And some of the 3¼% C.S.B. yield was used to pay off a 2½% issue in December.

# Lack of Ships Hits Exports

(Continued from page 1)

Commons in the debate on the Speech from the Throne.

Shipping officials told The Post that the current rate boom is temporary, because more vessels will become available when rush movements now taking place have been completed. Prices may stay up for the next six months, however, because of long-term charter contracts now being signed.

Trans-Atlantic shipping conferences this month raised their rates by 15%. The Norwegian Shipping Index shows demand for bottoms up by 60%. Cost of shipping a ton of grain from St. Lawrence ports to the U.K. was up at 65 shillings per ton at the end of the navigation season, from 43 shillings last June.

The over-all increase in shipping rates has been 58% in the past seven months. Rates differ widely between ports and countries, however.

### Ship Prices Up

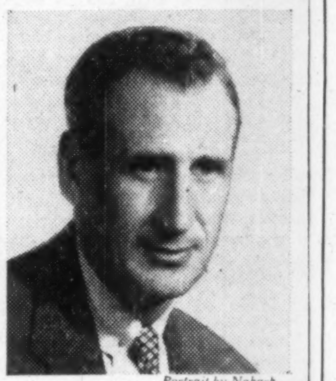
One important indication of rising shipping rates has been the sharp increase in price quotations for war-built Liberty ships. Last August, these vessels were selling for about $462,000 in New York. Current asking price is $800,000. These ships are the basic workhorses of maritime world trade.

Oil tankers are participating in the boom: tanker charter rates are at a two-year high. Last July, more than 200 ships, aggregating more than 2½ million tons, lay idle and the Swedish Tanker Index (1948 equals 100) hit a post-war low of 52, compared with the current mark of 88.

## Auto Production

| | Week Ends Jan. 28 | 1955 To Date |
|---|---|---|
| CARS | | |
| Chrysler | 2,152 | 8,116 |
| Ford | Strike | Strike |
| General Motors | 4,119 | 15,267 |
| Nash | 7 | 97 |
| Studebaker-Packard | 290 | 755 |
| Totals | 6,568 | 24,235 |
| Previous week | 5,874 | .... |
| TRUCKS | | |
| Chrysler | 100 | 389 |
| Ford | Strike | Strike |
| General Motors | 395 | 2,010 |
| International | 112 | 443 |
| Totals | 607 | 2,842 |
| Previous week | 598 | .... |

ANNOUNCEMENT


Portrait by Nakash

R. J. CONRATH

Mr. A. F. McLachlin, President of Railway and Power Engineering Corporation Limited, announces the appointment of Mr. R. J. Conrath as Aviation Manager. Mr. Conrath graduated from Sir George Williams College as a Bachelor of Science. He is a member of the Canadian Aeronautical Institute and a past President of the Institute of Aircraft Technicians.

After five years service with the British Air Commission, Mr. Conrath joined the company in 1945 and latterly has been in charge of aviation activities in the Montreal district.

"Automatic" Sprinkler
COMPANY OF CANADA, LTD.
MONTREAL 15, QUEBEC
FIRE PROTECTION
DESIGNING
ENGINEERING
MANUFACTURING
INSTALLING
Halifax, Saint John, Ottawa, Toronto 1, Calgary, Vancouver

A.N.Z. BANK
AUSTRALIA AND NEW ZEALAND BANK LIMITED

ABRIDGED STATEMENT OF ASSETS AND LIABILITIES
(Expressed in Australian Currency)
30th SEPTEMBER, 1954

| ASSETS | £A |
|---|---|
| Coin, Bullion, Notes and Cash at Bankers | 32,180,871 |
| Money at call and short notice | 5,584,750 |
| Treasury Bills — Australian Government | 3,996,384 |
| Cheques of, and Balances with and due from other Banks | 7,652,294 |
| Special Account with Commonwealth Bank of Australia | 47,083,000 |
| Investments at or under Market Value | 27,003,142 |
| Bills Receivable and Remittances in Transit | 57,157,700 |
| Loans and Advances to Customers and other Accounts | 194,465,275 |
| Liability of Customers for Acceptances | 2,963,529 |
| Bank Premises and other Fixed Assets | 4,628,090 |
| Liability of Customers and Others on Confirmed Credits, Guarantees, etc. | 31,810,203 |
| | £A414,533,238 |
| LIABILITIES | £A |
| Capital, paid up | 12,801,000 |
| Reserve Fund and Profit and Loss Account Balance | 9,868,977 |
| Current, Deposit and other Accounts | 357,089,529 |
| Acceptances for Customers | 2,963,529 |
| Confirmed Credits, Guarantees, etc., on behalf of Customers | 31,810,203 |
| | £A414,533,238 |

GENERAL MANAGER'S OFFICE FOR AUSTRALIA, NEW ZEALAND, FIJI, PAPUA AND NEW GUINEA:
394-396 Collins Street, Melbourne.
PRINCIPAL OFFICE IN NEW ZEALAND:
196 Featherston Street, Wellington.
HEAD OFFICE: 71 Cornhill, London, E.C.3.

Over 800 Branches and Agencies throughout Australia and New Zealand, in Fiji, Papua and New Guinea, and in London. Agents throughout the World.

The Toronto General Trusts
CORPORATION
73rd Annual Report

| Assets—December 31st, 1954 | | Increase for the year |
|---|---|---|
| CAPITAL ACCOUNT | $ 6,839,327 | $ 125,820 |
| SAVINGS AND INVESTMENT CERTIFICATES | 47,804,987 | 10,755,492 |
| ESTATES, TRUSTS & AGENCIES | 359,860,940 | 18,852,928 |
| TOTAL ASSETS | 414,505,254 | 29,734,240 |

C. C. CALVIN, Q.C., President, and GORDON C. LINDSAY, C.B.E., General Manager, in presenting the Annual Report made the following references: —

In the last few years signs have been multiplying that the trust business in Canada is winning wider popular recognition. It has made steady progress since it was launched in the last century with the founding of this Corporation . . . Today we can point to a number of trust companies, all of which are experiencing healthy growth. Though this situation has intensified competition, it is in the best interests both of our clients and the trust companies. The number of persons who have had direct and practical contact with trust services is rapidly widening. Word of mouth advertising has always been our best recommendation.

Trust companies are part of the machinery of our way of life; they are designed and equipped to deal with the complex tax and legal regulations which have grown up with the development of such assets as stocks, bonds, royalty rights, and the many other forms of participation in modern enterprise.

The 1954 increase in estate, trust and agency assets, is the difference between new estate, trust and agency assets received and distributions and disbursements made to and for estate beneficiaries and principals, aggregating over $30 million . . .

A real part of the growth in assets is made up of personal agencies and of trusts set up during a client's lifetime. As an illustration, a man deposits with us, as his agent, bonds, stocks or mortgage investments. We collect the income, from time to time review with him his holdings and give him our suggestions on purchases and sales. He and his family become better acquainted with our trust company and its ways of doing business. Eventually the trust company administers his estate and as it is distributed, his beneficiaries in turn set up similar investment agencies. In the result, we have had the privilege in a number of cases, of serving several generations in succession.

For the individual who has accumulated an estate of some substance, it is frequently advisable for personal reasons, or because of the impact of taxes or succession duties, that he set up during his lifetime, part of his estate in living trusts. Our services, both in planning and in administering such trust arrangements, are based on years of experience.

*Copy of the Annual Report for 1954 will be sent on request*

*President*
C. C. CALVIN, Q.C.
*Vice-Presidents*
ARTHUR L. BISHOP
ISAAC PITBLADO, Q.C., LL.D.
GORDON C. LINDSAY, C.B.E.
*Honorary President*
W. G. WATSON
HON. A. C. HARDY, P.C., Q.C.

BOARD OF DIRECTORS
WALTER C. LAIDLAW
C. H. MACLAREN, C.M.G., D.S.O.
HERBERT H. HORSFALL
CHARLES S. BAND
HON. E. W. HAMBER, C.M.G., LL.D.
C. GORDON COCKSHUTT
J E. HAHN, D.S.O., O.B.E., M.C.
WILLIAM C. HARRIS
EDGAR G. BURTON, C.B.E.
ROY H. DAVIS
F. G. WINSPEAR, F.C.A., LL.D.
J. K. MACDONALD
DONALD A. MCINTOSH, Q.C.
HUGH E. O'DONNELL, Q.C.
A. BRUCE MATTHEWS, C.B.E., D.S.O., E.D.
RHYS M. SALE
E. HAROLD TANNER, O.B.E.
C. SYDNEY FROST, M.C.
NORMAN S. ROBERTSON, Q.C.
G. GORDON GALE
J. ROY GORDON
GORDON P. OSLER

MONTREAL OTTAWA TORONTO WINDSOR WINNIPEG REGINA SASKATOON CALGARY EDMONTON VANCOUVER

**Merton Durant**

**Life Insurance and Annuities**

Pension Plans
Estates Analysis
Employee Benefit Plans

THE CANADA LIFE ASSURANCE COMPANY

Canada Life Building
Toronto • EMpire 8-7432

**THE BOND MARKET**

# U. S. Issue May Provide Key

## Canadian Dealers Watch Washington's Big Offering

Bond market observers in Canada this week had their eyes fixed on the U. S.

South of the border, the Treasury was offering a new 40-year 3% bond issue—the first longterm issue since the spring of 1953 when it attempted to implement the announced policy of the new administration to increase the proportion of long-term debt. Shortly afterward, Washington had to reverse its field and concentrate once more on short-term borrowing as part of an easy-money policy designed to prop up declining business.

Now the situation has changed. Business has picked up and monetary authorities are once more talking about the threat of inflation. In the U. K., the central bank borrowing rate has been raised to 3½% (3% before) and there's talk of a similar move in the U. S.

The long-term bond issue, expected for some time now, is also a move away from "easy money." Bond prices have been easing for some weeks now in anticipation of such an offering. How the issue goes, and its effect on the U. S. bond market, will have an important bearing on our own market.

The new issue was set up in such a way that disruption in current bond prices should be minimized. It was offered to holders of a $2.6-billion 2⅞% issue which has been called for redemption March 15. Holders were given the opportunity of accepting either the 40-year bonds or 13-month notes bearing a 1⅝% coupon. The idea, presumably, was to allow buyers interested in the longterm issue to take up as much as they wanted, but to avoid overloading the longterm market with the new bonds by giving them the alternative of the short-term notes.

The announcement of the new issue had a depressing effect on the U. S. high-grade bond market initially, but recovery followed. There was a similar pattern in Canadian bond prices.

Bond dealers here figure the outlook will be much clearer when it's known just how much investors buy of the longterm issue. If the total is only, say, about $1 billion, one dealer suggested, the outlook for bond prices would be "definitely bullish." He felt this would ensure that there weren't too many longterm bonds for the pension funds, savings banks and insurance companies—the investors most interested in the longer maturities—to absorb.

The Canadian market doesn't necessarily follow exactly the U. S. movements and, in fact, lately hasn't been doing so. But if the new U. S. borrowing started a sharp trend down in bond prices in that country, it couldn't help but be reflected here because of the close links between the two markets.

The differences that can exist were illustrated in the successful offering this week of the $40 million 20-year Quebec Hydro issue. Originally, this issue was expected to be offered in the U. S. But there was a firming in the Canadian market, believed to be a reflection of central bank encouragement of interest-rate levels closer to those in the U. S. in order to help whittle the premium on the Canadian dollar. This firmness here, coupled with a decline in U. S. bond prices, resulted in the offering of the bonds here instead of in the U. S., dealers say.

The closeness of the two markets, on the other hand, was illustrated in the good reception given the Quebec Hydro issue. The Canadian market had softened briefly last Friday in sympathy with the U. S. By Tuesday, when the Quebec Hydro offering was made, it had recovered along with the U. S. market, and dealers felt that one factor in the ready sale for the offering was confidence in the U. S. market outlook.

One dealer said he expected the new U. S. longterm issue would "clear the air" in the bond market for a while, after several weeks of uncertainty. It may be a forerunner of some decline in bond prices by confirming a trend to somewhat higher interest rates, but some of this decline has already taken place in anticipation of the issue.

That's why it could mean relatively stable longterm bond prices for a while—and some think even a firming in these prices. However, dealers appear to be expecting bond yields to increase, and prices to soften, later on this year.

* * *

***Quebec Telephone Financing Ahead?***

New financing may be undertaken soon by Quebec Telephone Corp. Rumors in investment circles are that the company is planning a bond issue of perhaps around $2 millions to pay for its expansion program.

Last financing done by Quebec Telephone was in May, 1953, when a $3-million 5¼% issue of general mortgage bonds was sold publicly by Credit Interprovincial Ltee.

*As principals we offer subject to prior sale and change in price:*

**$150,000.00**

**CANADIAN PACIFIC RAILWAY COMPANY**

**3¾% Collateral Trust Bonds due November 15, 1972**
**Redeemable on or after November 15, 1956**

**PRICE: 99.50 and accrued interest**
**YIELD: 3.79%**

**BURNS BROS. & DENTON**
**Limited**

44 King St. W., Toronto
507 Place d'Armes Montreal
Ottawa Hamilton Winnipeg

*New and Refunding Issue*

**$8,500,000**

**John Labatt Limited**

(Incorporated under the laws of Canada)

**4% Serial and Sinking Fund Debentures Series A**

To be dated March 1, 1955

**$4,250,000 4% Serial Debentures Series A maturing $425,000 annually on March 1, 1956 to 1965 inclusive**

**$4,250,000 4% Sinking Fund Debentures Series A maturing March 1, 1975**

Trustee: The Canada Trust Company

The placement of this issue was arranged privately by the undersigned

**McLeod, Young, Weir & Company** Limited
**Cochran, Murray & Co.** Limited
**Midland Securities Corpn.** Limited
**Geoffrion, Robert & Gélinas, Inc.**

*This announcement is not an offer to sell or a solicitation of an offer to buy these securities. The offering is made only by the Prospectus.*

**$35,000,000**

**THE CITY OF MONTRÉAL**
**(Canada)**

**1955 UNITED STATES CURRENCY ISSUE DEBENTURES FOR LOCAL IMPROVEMENTS AND FOR PUBLIC WORKS**

Dated January 1, 1955
Due October 1, as shown below

**AMOUNTS, MATURITIES, RATES AND YIELDS**

(Accrued interest to be added)

| Local Improvement Debentures | Public Works Debentures | Due | Rate | Yield | Local Improvement Debentures | Public Works Debentures | Due | Rate | Yield |
|---|---|---|---|---|---|---|---|---|---|
| $853,000 | $ 875,000 | 1956 | 2¼% | 2.50% | $269,000 | $1,250,000 | 1965 | 3¼% | 3.45% |
| 852,000 | 1,075,000 | 1957 | 2½ | 2.75 | 268,000 | 1,125,000 | 1966 | 3⅜ | 3.45 |
| 852,000 | 1,250,000 | 1958 | 2¾ | 3.00 | 269,000 | 950,000 | 1967 | 3⅜ | 3.50 |
| 423,000 | 725,000 | 1959 | 2⅞ | 3.125 | 269,000 | 1,850,000 | 1968 | 3½ | 3.50 |
| 423,000 | 750,000 | 1960 | 3 | 3.25 | 269,000 | 1,725,000 | 1969 | 3½ | 3.55 |
| 423,000 | 750,000 | 1961 | 3 | 3.35 | 269,000 | 1,525,000 | 1970 | 3½ | 3.55 |
| 423,000 | 950,000 | 1962 | 3⅛ | 3.375 | 269,000 | 1,450,000 | 1971 | 3½ | 3.60 |
| 423,000 | 1,525,000 | 1963 | 3⅛ | 3.40 | 269,000 | 1,225,000 | 1972 | 3½ | 3.60 |
| 269,000 | 1,200,000 | 1964 | 3¼ | 3.40 | 269,000 | 4,200,000 | 1973 | 3⅝ | 3.65 |
| | | | | | — | 3,239,000 | 1974 | 3⅝ | 3.65 |

*The Prospectus may be obtained in any Province in which this announcement is circulated from only such of the undersigned and other dealers as may lawfully offer these securities in such Province.*

SAVARD & HART
HALSEY, STUART & CO. INC.
SHIELDS & COMPANY
SALOMON BROS. & HUTZLER
COFFIN & BURR Incorporated
EASTMAN, DILLON & CO.
HORNBLOWER & WEEKS
KIDDER, PEABODY & CO.
BELL, GOUINLOCK & COMPANY Incorporated
BURNS BROS. & DENTON, INC.
MILLS, SPENCE & CO. INC.
STROUD & COMPANY Incorporated
SWISS AMERICAN CORPORATION
TUCKER, ANTHONY & CO.
R. A. DALY CO. Limited
GAIRDNER & COMPANY INC.
HIRSCH & CO.
THE MILWAUKEE COMPANY
NEW YORK HANSEATIC CORPORATION
SHEARSON, HAMMILL & CO.
COURTS & CO.
H. HENTZ & CO.
JOHNSTON, LEMON & CO.
McDONALD & COMPANY
F. S. SMITHERS & CO.
GRENIER, RUEL & CO. INC.

*January 28, 1955.*

## Cons. Paper Plans Two-For-One Split

MONTREAL (Staff) — Consolidated Paper Corp. directors have decided in favor of two moves hoped for by many investors: a stock split and a higher regular dividend rate.

Shareholders will meet April 28 to consider a bylaw subdividing present shares on a two-for-one basis. This will raise the number of authorized no par value common shares to 7,000,000, of which 2,566,190 will be outstanding.

On the present stock, a quarterly dividend of 50c per share has been declared payable April 15, up from the 37½c quarterly rate in effect since Oct., 1953. Total dividends for 1954 amounted to $2.25, including a 75c extra.

## Montreal Sells $35 Millions In New York

MONTREAL (Staff)—Figuring that conditions in the U. S. bond market more than offset risk of future unfavorable exchange rate fluctuations, the City of Montreal has sold its new $35 million debenture issue in New York.

A group headed by Shields & Co., Halsey, Stuart & Co., Savard & Hart and Salomon Bros. & Hutzler paid 98.27 (U. S.) for the 2¼%-3⅝% bonds, which will be due 1956-74. Average term is about 12 years, and net cost to the city 3.60% (U. S.). The issue was reoffered publicly to yield from 2.50% to 3.65%.

Proceeds will fill Montreal's longer-term money needs over the next year or so. About $27.6 millions will go toward public works; the balance, $7.4 millions, for local improvements.

Only one other bid was received, also in U. S. funds. It called for a net cost of 3.62%, just fractionally above the accepted bid.

A third group, it's understood, was planning a bid in Canadian funds. But, according to officials of this group, it became evident the loan would be placed in New York and plans were therefore canceled at the last moment.

Net cost of 3.60% in U. S. funds works out to about 3.85% if the current discount on U. S. funds is considered. What the actual cost will turn out to be over the life of the bonds, of course, depends mainly on the trend of U. S.-Canadian exchange rates.

Indications are that proceeds will be left in New York as long as possible in case the two currencies should come closer to par.

## Partnership Buys Mitchell Control From Mailman Co

MONTREAL (Staff)—Mailman Corp. interests have sold a block of about 60,000 shares of Robert Mitchell Co. to a partnership composed of St. Clair C. Holland, president and managing director of the Mitchell firm, and Harold Braff, director of Royal Securities Corp. and manager of its Quebec City office. The announcement was made by Holland.

Braff's participation in the transaction was personal and in his own behalf and not in behalf of Royal Securities or any client group or individual represented by the investment firm.

The price paid for the Mailman-held shares was in line with prevailing market value. Recent trade on the exchange was at $20½ per share. This would indicate a price of about $1.2 millions for the 60,000 share block.

Mitchell Co. has 217,200 shares outstanding and the shares and stock held by Holland constitute the controlling interest.

At a meeting of Mitchell's board of directors, a proposal was approved to increase the size of the board from five to seven members. Subject to such approval at a special meeting of shareholders in conjunction with the annual meeting, in March, it was planned that Braff would be elected to fill one of the two vacancies created.

Directors of Robert Mitchell Co. are: Holland, R. N. Watt, executive vice-president; Claude S. Richardson, Q.C.; W. Taylor-Bailey, president of Dominion Bridge Co.; R. O. Johnson, vice-president, Greenshields & Co.

## Dom. Woollens Sees Better Days Possible

Nonpayment of debenture and bond interest by Dominion Woollens & Worsteds, Hespeler, Ont., left the company in a position where it could count on adequate working capital to continue operations efficiently unless industry conditions worsened, company told a meeting of creditors last week.

The creditors present included representatives of National Trust Co. (trustee for the 5% sinking fund debentures), the company's bankers, institutional investors, holders of the first mortgage bonds and Gairdner & Co.

Chairman Henry Barrett explained why the board felt that, in order to conserve working capital, it was unwise to pay debenture and bond interest (the bond interest due Feb. 1 was not paid). Several factors were considered which management felt gave promise of improving the situation, and company officials are convinced of the firm's ability to continue its operations until it finds a way out of its present difficulties, a company statement said.

## Corby Net Profit Climbs 9.8%

MONTREAL (Staff) — Net profit of H. Corby Distillery Ltd. for the quarter ended Nov. 30 totaled $537,684 or 48c per share, up 9.8% from $488,530 or 44c a share in the same period of 1953.

Operating profit rose to $1,124,461 from $1,068,841. Depreciation showed little change, while income taxes increased to $550,136 from $530,836.

During the quarter, exchange loss totaled $36,641, down from $49,475 a year earlier. The pound sterling weakened in terms of Canadian dollars, resulting in a drop of this amount in the dollar value of net current assets of the company's subsidiary in Scotland.

**NOTICE**

**GAS FRANCHISE FOR THE TOWN OF BROCKVILLE**

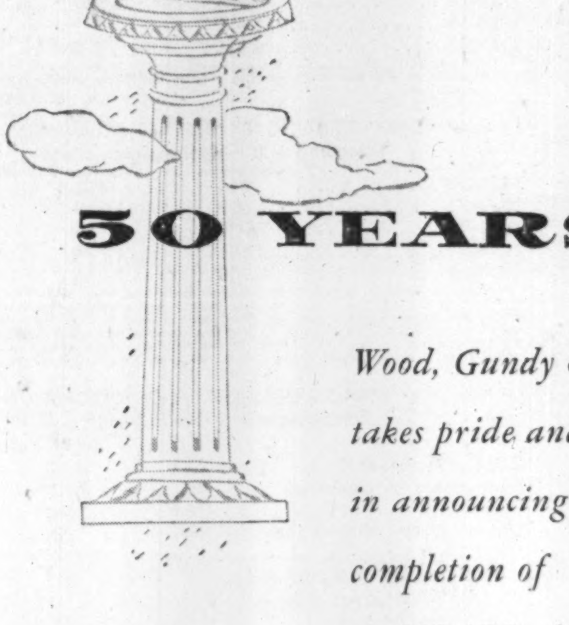
The Public Utilities Commission of the Town of Brockville will receive, up to 12.00 o'clock noon, February 24th, 1955, tenders from parties interested in acquiring a franchise for the existing Gas Utility in the Town of Brockville.

The proposed franchise may be either outright purchase or lease.

Each offer must be accompanied by a deposit in the form of a draft or certified cheque payable to the order of the Public Utilities Commission of the Town of Brockville, in the amount of One Thousand Dollars ($1000.00) and should be addressed to the Chairman, Public Utilities Commission, Victoria Building, Brockville; each offer to be in a sealed envelope clearly marked on the outside "Gas Franchise Offer".

The Commission reserves the right to reject any or all proposals.

H. W. LITTLE, P. ENG.,
Manager.



**50 YEARS**

*Wood, Gundy & Company Limited takes pride and pleasure in announcing the completion of 50 YEARS of BUSINESS in the field of Canadian Finance.*

**Wood, Gundy & Company**
**Limited**

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Halifax Saint John Quebec Ottawa
Hamilton London, Ont. Kitchener
Regina Edmonton Calgary Victoria
London, Eng. New York Chicago

FIFTIETH ANNIVERSARY WG & CO. LTD. 1905 1955 Investments

## CIL 54 Opens Regina Centre

MONTREAL (Staff) — Canadian Industries (1954) Ltd. has opened its new distributing centre in Regina, Sask.

The building, built by Dominion Construction Co., Vancouver, houses both warehouse and offices of the CIL 54 paint and varnish division and chemicals department, and the Saskatchewan sales offices of the company's explosive division.

The centre will handle a full line of exterior and interior house paints, as well as many industrial and automotive finishes. It will distribute industrial chemicals like anhydrous ammonia and calcium for the refrigeration plants of the province, soda ash for industrial cleaning, mineral acids like muriatic, sulphuric and nitric.

Sales of commercial explosive for seismic exploration in Saskatchewan's rapidly-expanding oil and gas industry, and for agricultural purposes such as ditch blasting, will also be handled from these offices.

**MORTGAGE FUNDS**

**Available in $1,000,000 lots or more for: Factories — Office Buildings — Chain Stores — Apartment Houses — Shopping Centres — Sale-Lease Back.**

*Principals Only*

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**INVESTMENTS**

*To Yield from 1.70% to 4.91%*

| | *Rate* | *Maturity* | *Approx. Yield* |
|---|---|---|---|
| Government of Canada | 2% | 1957 | 1.70% |
| Government of Canada | 3¼% | 1979 | 3.22% |
| Canadian National Railways<br>Guaranteed by Government of Canada | 3¾% | 1974 | 3.28% |
| Province of Quebec | 3% | 1969 | 3.19% |
| Ontario Hydro Electric Power Commission | 3½% | 1979 | 3.49% |
| Province of New Brunswick | 3¼% | 1970 | 3.58% |
| City of Winnipeg, Manitoba | 3½% | 1969 | 3.53% |
| City of Drummondville, Que. | 3% | 1972 | 3.90% |
| Canadian Pacific Railway Co. "Convertible Debenture" | 4% | 1969 | 3.39% |
| Gatineau Power Company | 3¼% | 1970 | 3.42% |
| Imperial Oil Limited | 3⅝% | 1975 | 3.625% |
| Bell Telephone Company of Canada | 3¾% | 1979 | 3.66% |
| Acadia-Atlantic Sugar Refineries Ltd. | 4% | 1974 | 4.00% |
| Pembina Pipe Line Ltd. | 4¾% | 1971 | 4.58% |
| Canadian Chemical Co. Limited | 4¾% | 1969 | 4.75% |
| Columbia Cellulose Co. Limited | 5% | 1968 | 4.87% |
| Gunnar Mines Limited "ex-warrants" | 5% | 1960 | 4.91% |
| Canadian Celanese Limited | $1.75 | Preferred | 4.79% |
| Canadian Oil Companies, Limited | 0.50 | Common | 2.86% |
| British Columbia Power Corporation Limited | 1.00 | Common | 3.77% |
| Ford Motor Company of Canada Ltd. | 4.25† | Class "A" | 3.97% |
| Power Corporation of Canada Limited | 2.00 | Common | 4.04% |
| Fraser Companies Limited | 1.20† | Common | 4.44% |

† Declared or paid in the last 12 months.

Securities are offered by us as principals, except listed stocks, orders for which we accept as agents. All offerings are subject to confirmation. Specific recommendations, or information regarding any security, will be gladly furnished upon request.

*Orders accepted for execution on all Stock Exchanges.*

**NESBITT, THOMSON AND COMPANY**
**LIMITED**
**38 King St. W., TORONTO. Phone EMpire 4-6146**

MONTREAL QUEBEC TORONTO OTTAWA HAMILTON LONDON, ONT. KITCHENER
WINNIPEG REGINA SASKATOON CALGARY EDMONTON LETHBRIDGE
VANCOUVER VICTORIA SAINT JOHN FREDERICTON MONCTON NEW YORK

707A

ANNOUNCEMENT

## CONFEDERATION LIFE GROUP APPOINTMENT

C. R. SCARROTT

Appointment of C. R. Scarrott as Superintendent, Group Sales, is announced by Confederation Life Association. The company's complete group insurance service has resulted from nearly 30 years' experience, and Mr. Scarrott's connection with it goes back to 1937. Formerly assistant superintendent, he will continue to be directly associated with J. G. Murray, Group Executive.

**PROTECT YOUR PROFITS WITH STOP-LOSS ORDERS**

Many Canadian blue chips and others are priced too high. They are vulnerable to a severe reaction. In our next Report concerning 150 Industrial Stocks we indicate briefly whether they should be sold, or held with a stop to protect your holdings. Send for this valuable Report.

The Graphoscope (300 charts) ............... $3.00
Market letter and 150-Stock Report ........... 2.00
Same with "Graphoscope" .................... 4.00

*(Add 20c on out-of-town checks)*

**THE CANADIAN ANALYST**
P.O. Box 373 — Station "H"
Montreal, Canada

A copy of our

**February Securities Review**

will be forwarded upon request

**WALWYN, FISHER & CO.**

Members:
Toronto Stock Exchange
The Investment Dealers' Association of Canada
44 KING STREET WEST, TORONTO 1, CANADA
TELEPHONE: EMpire 4-1131

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GENERAL BINDING CORPORATION (CANADA) LIMITED

Dept. FP-2, 855 Eastern Ave.
Toronto 8.

**HOME IMPROVEMENT LOANS**

*under the provisions of*

THE NATIONAL HOUSING ACT, 1954,

*may now be arranged through any branch of the Royal Bank*

•

*Our Managers will be glad to discuss details with you*

**THE ROYAL BANK OF CANADA**

**MANAGED INVESTMENT**

# New Aluminium Shares Push Compton's Income

Joseph Compton's manager now holds 30 shares of Aluminium Ltd., having purchased 25 rights on the market and received 25 direct from the company. The offering of additional shares was on the basis of one new for every 10 held.

Prospective income, thanks to the five new shares, now goes to over $1,248. And in the accompanying table, Compton's manager shows how tonnage sales of aluminum are rising.

### Compton's Manager Says:

As reported (The Post, Jan. 22), Joseph Compton, having received 25 rights direct from the company and having purchased an additional 25 rights on the market, subscribed on Jan. 31 for five new shares of Aluminium Ltd. common at $46 per share.

The offering of additional shares of Aluminium Ltd. was on the basis of one new share for each 10 shares held.

As a result of the purchase of the five shares of Aluminium Ltd., Compton's annual income was increased by $10 to $1,248.25 as at Jan. 31.

Compton now holds 30 shares of Aluminium in his investment account with an average cost price per share of $43.87.

A preliminary estimate of 1954 output of Aluminium Ltd. shows that 553,000 tons were produced last year, a slight increase over 1953 figures.

A breakdown of 1954 tonnage sales by major markets is as follows:

| | 1954 (tons) | 1953 (tons) | 1952 (tons) |
|---|---|---|---|
| U. K. ...... | 216,000 | 184,600 | 257,750 |
| U. S. ...... | 195,000 | 237,000 | 114,500 |
| Canada .... | 80,000 | 90,200 | 88,500 |
| Others ..... | 62,000 | 37,900 | 39,150 |
| TOTAL .. | 553,000 | 549,700 | 499,950 |

The following is a breakdown of the types of securities in Compton's investment account as at Jan. 31:

| | Book Value | Income |
|---|---|---|
| Preferred ........... | $ 935.00 | $ .... |
| Common ............. | 10,965.84 | 762.50 |
| Base Metals ........ | 6,203.12 | 473.75 |
| Precious Metals .... | 244.75 | 12.00 |
| Cash ................ | 367.66 | .... |
| | $18,716.37 | $1,248.25 |

## Imperial Tobacco Redeems 4% Stock

MONTREAL (Staff) — Shareholders of Imperial Tobacco Co. of Canada Ltd. have authorized redemption on March 1 of all outstanding 4% cumulative redeemable preferred shares of stock. There are 287,555 shares outstanding.

The shares will be called at a price of $25.62½ plus unpaid dividends to the redemption date.

Shareholders of record Dec. 31 will be paid on Feb. 1 the final quarterly dividend of 25c per share for the quarter ended Jan. 31, 1955. All accrued and unpaid dividends to the date of redemption are equivalent to eight cents per share, making the redemption price $25.705 per share.

The redemption at $25.62½ per share will mean an outlay of about $7.3 millions and has been made possible by improvement in the company's cash resources during recent years.

## Quebec Hydro 3½ Issue Fully Sold

MONTREAL (Staff) — A new $40-million issue of Quebec Hydro-Electric Commission 3½% sinking fund debentures was offered and fully sold this week through a group headed by A. E. Ames & Co. and the Bank of Montreal.

Priced at par, the debentures will mature March 1, 1975, and will become callable March 1, 1972. They are guaranteed by the Quebec Government.

Proceeds will be used for capital expenditures. Quebec Hydro is building the $180-million Bersimis River hydro plant, and is extending its transmission and distribution system in various parts of the province.

Provision is made for a sinking fund equal to at least 1% of the total issue for each of the first five years, and at least 2% for each of the remaining 15 years.

Last previous financing of the Commission was a $25-million 3¼% 20-year issue, sold in April, 1954, to yield 3.34%.

**EDWARD J. TURCOTTE**

**has been elected president, Architects Association of the Province of Quebec.**

## Stelco Output Earnings Off Orders Pick Up

Both ingot production and net sales of Steel Co. of Canada and its subsidiaries for 1954 dropped below the 1953 rate; production off 17.8% and net sales down 13.5%. Sales were comparatively better than production because of reduction of inventories and also because of changes in relative proportions of various products sold.

Profits for 1954, which are expected to be somewhat lower than for the previous year, have been affected by the lower volume of production, higher wage rates and reductions in the selling prices of many of our products, Steel Co. President H. G. Hilton states in a letter to shareholders. These were offset to some extent by a smaller charge against income for depreciation which, although approximately at the maximum allowed under current tax regulations, was over $4 millions below the amount charged in 1953.

An improvement in business volume was noticeable toward end of 1954 and incoming orders indicate a fair over-all production rate for the early months of 1955. Many overseas producers are now seeking imports of steel ingots and semi-finished steel from North America to supplement their own production.

"It remains to be seen how long this situation will persist and what the effect will be on exports to our market," Mr. Hilton said. It has already resulted in a general stiffening of European steel prices.

## Labatt Issue Quickly Sold

An issue of $8.5 million 4% Series A debentures of John Labatt Ltd. (The Financial Post, Jan. 29) has been sold privately at 99.50 by a syndicate headed by McLeod, Young, Weir & Co.

The issue consisted of $4,250,000 serial debentures maturing $425,000 annually 1956-65 and $4,250,000 sinking fund debentures due 1975.

Proceeds ($8,436,250) will be used to refund present debentures ($5,722,100) and the balance of $2,714,150 to help cover the cost of the $6.5 million brewery being built near Montreal by a subsidiary, La Brasserie Labatt Ltee.

Shea's Winnipeg Brewery, another Labatt subsidiary, is also investing nearly $2 millions in the Montreal project through purchase of redeemable preferred stock of the sister subsidiary.

This money was raised through sale to Great-West Life Assurance Co., and lease back from them of all Shea's land and buildings at the Winnipeg brewery and much of its plant and equipment for $2.5 millions. The balance of $600,000 not going into the Montreal program will be used to retire mortgages of subsidiaries of Shea's.

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# Shawinigan 1954 Profits Up 21.6%, May Rise In '55

MONTREAL (Staff) — Shawinigan Water & Power Co. recorded a sharp 21.6% increase in net profit last year. And earnings should be even higher in 1955.

This is indicated in a prospectus and letter to shareholders mailed in connection with the company's new common stock offering. The offering, on the basis of one new share at $46 for each 10 held, is expected to yield $10 millions.

Net profit for 1954 totaled a record $7,270,260, against $5,977,962 the previous year. This was equal to $2.84 per share, against $2.27, with power operations accounting for $2.01 and $1.47, respectively.

"Further progress is anticipated in 1955," states President J. A. Fuller. The amount of water in storage at the start of this year was one third greater than the long-term average, permitting large sales of boiler power during the winter. Steady growth in retail distribution business is expected, while higher rates will be in effect for a full year.

Finally, he reports, power sales to large industrial consumers are expected due to additional loads in asbestos, pulp and paper and electro-metallurgical industries.

### 10,000 New Customers

Much of 1954 profit increase was shown in the fourth quarter, when the exceptionally good water conditions permitted large sales of energy for electric boilers and a cut in purchases of secondary power, it's stated. Another key point — a sharp increase in revenue from retail distribution, resulting from nearly 10,000 new customers, and higher rates in the second half.

During the year, a record peak load of 1,928,000 hp. was reached. Total power sales at 9,045 million kw hours were up 2.8% from 1953, very close to 1952's record 9,104 millions.

Revenue from power sales climbed to $42.0 millions from $38.8 millions. Operating and general expenses rose to $10.3 millions from $10.1 millions and earnings before taxes increased to $12.0 millions from $9.8 millions.

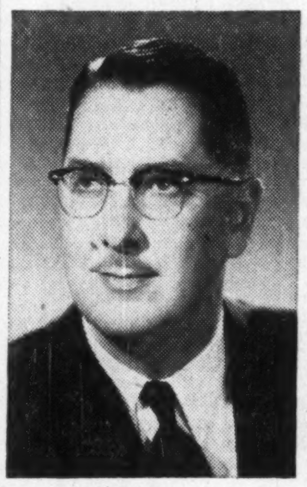
Of last year's gross revenue from power sales, 63% came from sales of large blocks of power to 37 industrial customers and five other distributors. The other 37% stemmed from sales to residential, commercial, farm, municipal and small industrial consumers. At year end, Shawinigan was serving about 215,000 customers.

### Industry Took Less

The prospectus shows how the breakdown of power sales revenues has changed since the war, creating a broader demand base.

ANNOUNCEMENT

## IAC ANNOUNCES APPOINTMENT



J. Y. BUCHANAN

Industrial Acceptance Corporation Limited, sponsors of the Merit Plan for Instalment buying, announces the appointment of J. Y. Buchanan as Regional Sales Manager for Western Canada.

Until his appointment, Mr. Buchanan was Manager of the Company's Main Branch in Calgary, Alberta. Mr. Buchanan has had a long and successful record of service with IAC and brings to his new position a wide experience which will prove valuable in maintaining an effective liaison with factory officials and dealers throughout the Western region.

*We, as principals, offer*

**$250,000**

**THE MONTREAL METROPOLITAN COMMISSION**

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(NON-CALLABLE)

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**PRIVATE SALE OF MACHINERY**

Canadian industry in process of conversion wishes to dispose of surplus machine tools including milling machines; engine, capstan and turret lathes; thread mills and grinders; shapers; slotters; boring mills; radial and pedestal drills, etc., fully equipped and in excellent condition.

These machines are offered substantially below current list prices for used equipment and attractive discount will be allowed for multiple purchases. To conserve capital these tools may be acquired either under a lease plan with options to purchase or under a conditional sales contract permitting payment, without carrying charges, over an extended term. All machines may be examined under operation.

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THE FINANCIAL POST, BOX 135, TORONTO.

**IMPERIAL LIFE'S**

**"umbrella of protection" provides record coverage in 1954**

***Features of 'Fifty-four***

| | |
|---|---|
| New Business in Year................ | $106,670,403 |
| Total Business in Force.............. | $813,741,678 |
| Assets........................... | $208,387,759 |
| Payments to Policyholders and Beneficiaries................... | $ 14,167,135 |

The new business, up 18% over the total of the previous year, sets a new high record amount for The Imperial Life. Reflecting the substantial growth in business, the insurance in force, assets and benefit payments are now at an all-time peak. These are a few of the features of the Company's Annual Report.

"The year 1954 was one of outstanding progress and achievement," reports A. Ross Poyntz, President of the Company. "The Company is in its strongest position and we may anticipate a high level of sound development in 1955."

**THE IMPERIAL LIFE ASSURANCE COMPANY OF CANADA**

Policyholders and others are invited to fill in and mail this coupon for a copy of the Annual Report for the year 1954.

The Imperial Life Assurance
Company of Canada,
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Please send me by mail a copy of the Annual Report of the Company for 1954.

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## The Editorial Page

# Marriage Does Not End It

Fifty years ago, over 80% of all the women in Canada were engaged in housekeeping; now, according to the last census, that proportion has dropped to 64%. Fifty years ago, only 13% of women were in the labor force. Now, 24% of women are working outside their own home, and women form 22% of the total labor force.

All this is visible to anyone who walks down any city street at the noon-hour. Working outside the home is no longer just an occupation for girls waiting to marry, or spinsters without family connections. It is a pattern of life to which many women return after marriage (30% of the women in the labor force are married; 11% of all married women are working) and on which most unmarried women base their independence. Most working women are now not young girls in their teens and twenties, putting in time until "Mr. Right" comes along (in the nauseating phrase of the Edwardians); they are women in their thirties and beyond, who intend to keep on with the job.

This is an old story. The older working woman is a familiar figure to all of us; yet the pattern of Canadian life has not altered very much to meet the needs of such women. Houses and apartments are not designed to suit them; their clothes for office wear must be selected from the matronly or the collegiate; recreational opportunities are available to them, but not tailored to their requirements. Above all, we're far behind the rest of the world in the provision of day care for the children of working mothers. We're still behaving as if the working wife were a wartime phenomenon bound to disappear. We haven't fully faced the fact that families have become smaller, housekeeping has been made easier, idleness has become unfashionable, and two paychecks have become a common solution to the problem of high living costs.

For business, there are special implications in the rise of the older working woman. Here is a new market; a specialized market, almost totally neglected, yet able to pay for what it needs. More attention to the demands of the senior career woman should prove profitable for the merchandiser, and helpful to the community as a whole.

## Silly and Unnecessary

All across the country these cold days, people are standing in line, barking their knuckles and endangering their souls, simply because a few provincial bureaucrats still insist that what was good enough in 1905, is still good enough in 1955.

When taxes fall due on his house, or his income, the average citizen pays them without fuss or formality and on time. The business only concerns himself and the tax collector. After the job is done, he doesn't have to hang a placard about his neck or over his front door telling the world that the tax has been paid.

When it comes to paying the tax on his automobile, however, it is a different story. Each year new plates must be purchased and usually at considerable personal inconvenience. Then with hacksaw, cold chisel, hammer and screw driver the motorist or his deputy must get the old plates off and the new ones on. It's a silly and unnecessary operation and only the bureaucrat likes it.

Repeatedly responsible organizations have asked for permanent license plates. Only last week the Ontario Chamber of Commerce so petitioned the Ontario Government. Some provinces and states have adopted permanent plates. The others should follow.

## Doing a Good Job

Start delving into the local history of any small Canadian centre and you'll probably find the town's weekly newspaper files the best source of information.

It may be the Twillingate (Nfld.) Sun or the Melfort (Sask.) Moon or one of the other 800-odd weeklies across the country. In the absence of historical societies, many of these papers have the only record of local happenings.

With this in mind a bill has been presented recently in the U. S. Senate "to promote the preservation of the history of the United States as recorded in pioneer weekly newspapers and as currently published."

In this country, and for some time, several of the provincial governments have been collecting and filing items of historical interest as they appear in local papers.

In the short life of this country, the emphasis has been on the future with perhaps too little interest in past happenings. District papers can make a very worthwhile contribution to their communities and to Canada by accurately recording events and developments for future generations. In most cases, they are doing so now.

## Back to Gold?

The rise in the value of the Canadian dollar has brought some satisfaction to those spending it in the United States and abroad and to Canadians long used to allowing a premium on U. S. dollars spent here by Americans. But the rise has meant headaches for others.

There is the exporter who must accept a discount on money that is not as firm as our own. There is the Canadian manufacturer who faces new competition from imports because our dollar is worth more than almost all other currencies.

As an example: in his economic survey of the Canadian electrical manufacturing industry, Professor F. A. Knox states that devaluation in foreign currencies and the increase in the Canadian dollar have all but wiped out the advantages of Canadian tariffs on electrical goods.

As a means of avoiding these fluctuations, Courtland Elliott, outgoing president of the Toronto Board of Trade, this week proposed a return to the gold standard. He put it this way:

> "The monetary authority in Canada should declare its willingness to buy or sell gold in unlimited quantities at a fixed price, as is done in the United States, and accompany this declaration by appropriate monetary action to control, if necessary, the financial consequences. Then we will have foreign exchange stability with other fixed currencies as long as we remain on the gold standard . . . If we take the step, our monetary reserves of gold will surely rise as long as recent conditions continue."

There may not be unanimous agreement with Mr. Elliott's specific proposal but there will certainly be with his opinion that the problem is serious.

## This Could Save Tempers

In its brief to the Ontario Government the other day, the Ontario Chamber of Commerce asked for the standardization of stove pipes. It wants them all to come in the same length and thickness.

To urban people accustomed to all the convenience of automatic cooking and heating, that request may seem out of date. But not to Premier Frost. He doesn't live in a big city. He has had experience with stoves in farm houses or summer cottages.

Under the best of conditions, putting up stove pipes is no job for the man whose temper is short or whose blood pressure is high. It is certainly one of the most exasperating of all household chores. But when we have to drive ten miles to town and then find that these things come in half a dozen shapes and sizes and we don't know which one is ours, then the trouble really begins. All too often we guess wrong and bring back a length that can't be warped, twisted or forced into line. It's a good bet we will end up using the rusted and dangerous pipe we planned to discard.

Stove pipes, of course, are only one of the many items where some sort of standardization would help.

There are washers for taps, and bolts and screws. There are storm windows, and common replacements for radios, cars, locks, and hinges. We can't expect and probably don't want absolute uniformity but some sort of reasonable standardization in these common things would make life smoother and happier.

## Recommended Reading

Voters who become discouraged when they read the speeches printed in Hansard during the Throne Speech debate should take time to read the debate on German rearmament. It is hard to believe that the same parliamentary body gave birth to the two debates. Here for the most part we have a series of speeches in which arguments are stated lucidly, facts are presented clearly, and differences of opinion are treated with dignity and respect. And, in a surprising number of cases, the speakers kept well within the 40-minute time limit.

During the last war, it was at one time suggested to the British House of Commons that copies of Hansard should be used as propaganda material. The officials concerned discouraged the notion, pointing out with a good deal of candor that Hansard verbatim might do as much to undermine as to enhance respect for the British parliamentary system.

The same, unfortunately, might be said of our own Hansard, a good part of the time, but not in the issues concerning the NATO debate.

## Somebody Gets Splashed

In attempting to explain Agriculture Minister Gardiner's new Edmonton plan of feeding the Government's butter surplus to hospitals, Prime Minister St. Laurent told the House of Commons:

"The policy will be to exercise very strict supervision to see that it is restricted only to public institutions and does not affect general marketing conditions."

From his own early storekeeping experience Mr. St. Laurent must know that that is a vain hope. General marketing conditions are bound to be affected. The butter that the hospitals and similar public institutions get at bargain prices or as a gift from Mr. Gardiner, will simply replace butter these institutions would normally buy. You just can't drop millions of pounds of butter anywhere without somebody getting splashed.

The sooner we realize that butter or wheat or pork or anything cannot be piled up without trouble piling up also, the sooner we will get back to sound marketing.

## Private Eye-Opener

Figures from the DBS show why Canadian literature lacks a school of detective fiction. Few whodunits with a really convincing Canadian background have come to our notice, and now we know why. There just aren't any really flamboyant sleuths on this side of the border. On the basis of the figures we don't see how any Canadian private eye can achieve the color necessary to make him a good model for fiction.

There are 14 detective agencies in Canada, according to the DBS, and they took in $228,600 in 1951; an average of $16,329 each.

Even if that were clear profit, it wouldn't go far to support a gumshoe in the style to which fictional detectives are supposed to be accustomed. It would keep Nero Wolfe in orchids about a week, if that; and it would contribute only a pittance toward the upkeep of one of Sam Spade's blondes.

Unless this situation changes it seems clear that Canadians writing of detection will have to continue to turn, for glamor, to the old reliable Mountie.

## Will They Still Do-It-Themselves

It will be interesting to see what happens to the do-it-yourself movement as a result of the new home improvement loans now available under NHA.

Of course, many of the undertakings stimulated by the new source of financing will be major projects normally handled only by professionals; rewiring, replacing furnaces, moving walls, shoring up foundations. Money will also be available, though, for purposes such as decorating, building garages and patios, and the simpler remodeling jobs. There are the categories of home improvement that have become sacred to the idea of do-it-yourself. It has become almost an article of faith in some quarters that these jobs are undertaken by the home-owner and his wife for sheer love of the work, rewarded by pride of creation and a sublimation of the nesting instinct that lies buried in us all.

Many a home-owner, toting his last bag of cement or applying his umpteenth bandage, has been willing to admit to himself that his motives are more nearly connected with the fact that, by doing it himself, he need find, at a given point in time, only the cash for the materials, and not the added cash for the professional to use the materials. When he's able to spread his payments over a five-year period, he may be more tempted to voice his agreement with the argument of the building trades that a professional plasterer is worthy of his hire.

## *Napier Moore's* Scratch Pad

WHEREVER THERE IS MUCH SHIPPING ACTIVITY there are all sorts of happenings involving admiralty (or maritime) law. Toronto is a pretty busy port. But we are told that in that city admiralty lawyers are scarce. We have often heard legal friends express surprise that more young lawyers don't specialize in such work, though they themselves supply what may be the reason by confessing that it's an exceedingly complicated business.

Only the other day a lawyer to whom we were talking brought the subject up. We momentarily knocked him for a loop by casually stating that we had once assisted in an admiralty case.

* * *

THAT WAS AROUND 1912. We were in our late teens, a skinny youth, living in Victoria, B.C. At the time, a job we had had expired, and we were in search of fresh fields to conquer.

One day, we were standing in the lobby of the Sayward Building when a lawyer who had an office in that edifice walked in. He had taken a friendly interest in us, and we're ashamed to say that we've forgotten his name. He was an oldish, white-haired man who always wore a frock coat and a shoe-string tie. His head bent, his hands clasped behind his back, he appeared to be in deep thought. As he passed us, he raised his eyes, saw us, and said "Ah!" He stopped and said "Ah!" again.

"My lad," he went on, "how would you like to do a little job for me?" We said we'd be delighted.

"I am the Admiralty Marshal in this port," he said. "I've got to attach a ship which has a suit against it. That means the Marshal, or his officer, must board the vessel and nail a warrant to the mast. Nail it to the mast. The ship's here. I'm the Marshal, but I'm too old to go climbing around ships. And I haven't a deputy. If I appoint you my officer, will you go and do it?"

WE SAID WE'D DO IT. We went with the Marshal to his office. He swore us in. He handed us the warrant and gave us enough money to enable us to go to Woolworths and buy a small hammer and some tacks.

So equipped, we made our way to the wharf where the vessel lay. She was a small ship; a tramp of a ship, her sides covered with rust, her decks filthy. Lolling on the hatch were two or three villainous seamen. And, leaning on her rail, was the burliest and most ruffianly-looking mate we had ever seen.

Timidly we set foot on the plank which served as a gangway. The mate let out a roar. He said, "What the hell do **you** want? Beat it."

Our knees were knocking, but we drew ourself to our full height and said, with a squeak in our voice, "It's the l-l-law."

The mate screamed with merriment. He called the crew's attention to us and yelled, "Haw, haw, haw! It's—hee, hee, hee, the Law! Ha, ha, ha!"

He was so helpless with mirth that we strode up the plank and stepped onto the deck. Purposefully we marched along to the brown-painted mast. While the mate was beseeching the gods to cure the stitch in his side, we put the warrant against the mast, placed a tack in position and hit it with our little hammer. The tack bent double. It was a steel mast.

By this time, the mate and crew, weak with glee, were holding each other up.

With tears streaming down his cheeks, the mate came toward us. We clutched our hammer more firmly. "Son," he said, "come and I'll show youse where to nail it." He led us aft to the companionway and pointed to its hatch. "Nail it there," he said, "so that the blankety-blank captain can see it when he rolls aboard. And I hope it'll put the blankety-blank owners where they blankety-blank belong."

We went back to the Marshal and reported Mission Accomplished. "I'll split the fee with you," he said. "And he gave us a dollar.

* * *

THE WORLD'S BIGGEST SHIP, the Cunarder Queen Elizabeth, is in dry dock having double stabilizers fitted on her hull. These huge fins will reduce the roll of the ship in a lumpy sea—and the Q.E., despite her 83,000 tons, could roll. Apart from adding to the comfort of passengers, the stabilizers will save the owners money. A London shipping writer reports that breakages in one big finless liner included 17,000 plates, 12,000 glasses and 5,000 cups—in six months. Which comes pretty close to the record set by a maid we once had.

* * *

WE READ that at the age of 18, John Walsh was a coal miner working in a Lancashire pit 1,500 ft. below the ground.

Today, at 65, he works in the observation tower on top of New York's Empire State Building—1,472 ft. above the ground.

## Stop Me If . . .

"Aren't you glad now," said the father, "that you prayed for a baby sister?"

"Yes," replied the son after a glance at the twins. "And aren't you glad that I stopped when I did?"

* * *

A golf professional, employed by a big department store to give lessons, was approached by two women.

"Do you wish to learn to play golf, madam?" he asked one.

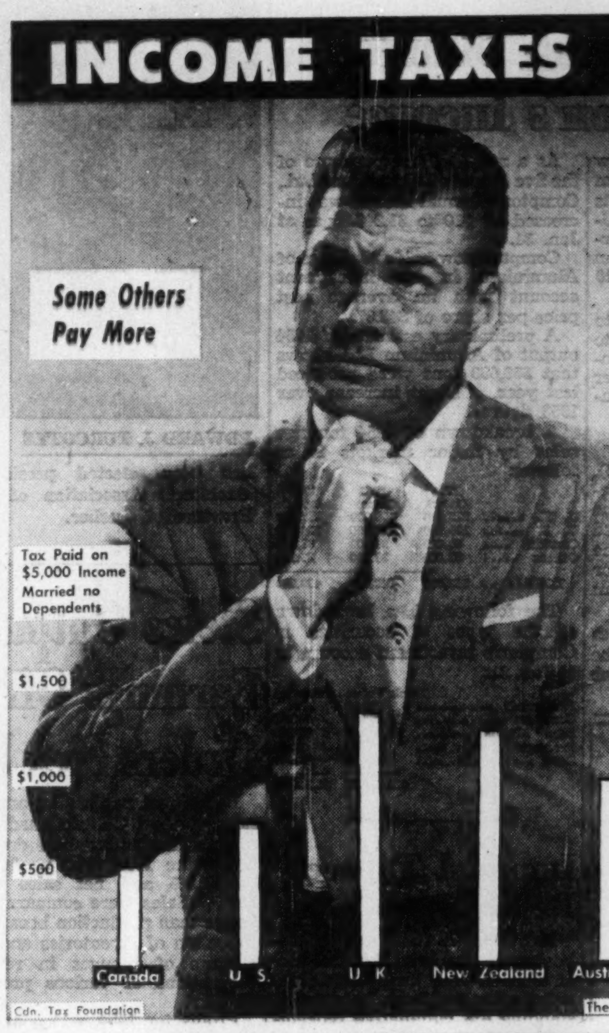
"Oh, no," she said. "It's my friend who wants to learn. I learned yesterday."

* * *

"When I pass through the typist pool it's like a piece of uranium approaching a battery of Geiger counters," the office manager told a friend.

"What do you mean?"

"The closer I get the faster they click."



# Post Scripts

## Heads Life Underwriters

After 33 years as a member, Charles W. Mealing was elected president of the Life Underwriters' Association of Canada at the group's 48th annual meeting in Toronto last week.

MR. MEALING

Aims of the 7,332-member association are to foster good business ethics among its members, to keep them informed of legislative or other happenings affecting the life insurance business, and to ensure that the public receives a high standard of life insurance counsel.

The new president has been in life insurance since 1921, and has represented North American Life since 1931.

One of a family of 12 children, Mealing was born in 1894 on a farm at Gamebridge, Ont., near the eastern shore of Lake Simcoe. The family later moved to another farm on the outskirts of Orillia, where he attended public school.

In 1910, the youthful Charles Mealing entered the youthful automobile business with Fisher Motor Co. at Orillia. But in the summer of 1921, an hour after the Fisher plant closed temporarily for one of its many slack periods, a local insurance branch manager invited Mealing to become an agent. He accepted, liked the job, and never went back to the automobile assembly line.

Mealing moved to Toronto in 1928, but his summer cottage at Orkney Beach, near Orillia, has helped to maintain home-town connections.

An active worker in underwriters' association work for a third of a century, Mealing was president of the Toronto LUA in 1941, a director of the LUA of Canada since 1945, and chairman of the national board in 1950 and 1951. He has also served as chairman of the executive council, and as registrar, of the Institute of Chartered Life Underwriters.

In his spare time, Mealing has held various offices in the United Church, the Masonic Order and the YMCA. He finds relaxation in 35 mm color photography and in woodworking at his home in the Woodbine Gardens area northeast of Toronto.

Mrs. Mealing is the former Viola Merrill of Lindsay. Their daughters, both married, live in Lindsay and Toronto.

* * *

## Toronto-Dominion President

The next six months will see Arthur Clifford Ashforth move three times. This month, he is moving his office one block west, from the Dominion Bank at King and Yonge Sts., Toronto, to the former Bank of Toronto at King and Bay. In April, he and Mrs. Ashforth will move from their York Mills home into a house now under construction in Toronto's Bayview-Lawrence Park section. And in the summer, they will take possession of a new cottage near Torrance in the Muskoka Lakes district, 100 miles north of Toronto.

The first of these three moves is the result of the marriage of Dominion Bank and Bank of Toronto, to which Ottawa gave its official blessing this week. Ashforth, general manager of Dominion Bank since 1948, becomes the first president of Toronto-Dominion Bank, now Canada's fourth largest.

Unlike most bankers, the new president has spent his entire banking career—45 years—in one place. Born in Toronto, he went to work at 16 as a junior in the Bank of Hamilton. With remarkable foresight, he decided after nine months that a brighter future lay with the Dominion Bank. The move also brought Ashforth a raise in salary—from $200 to $250 a year.

Although he had shown no flair for mathematics while he was a pupil at Palmerston Ave. public school or Harbord Collegiate, Ashforth soon became an almost legendary ledger-keeper. He ran up a string of 21 "first-shot" balances on his ledgers, a record which is still unequaled as far as he knows.

After four years on the bank's inspection staff, Ashforth in 1921 reached a turning point in his career. He declined a transfer to Yorkton, Sask., as manager, and shortly thereafter was appointed secretary to General Manager C. A. Bogert.

Six months before the 1929 crash, the secretary became a supervisor. Until 1934, he specialized in the supervision of "accounts that require close scrutiny," in the delicate language of the bank.

With five years of scrutinizing behind him, Ashforth became manager of Dominion Bank's head office. In 1946 he was named assistant general manager, in 1948 general manager, and in 1951 vice-president and general manager.

Ashforth's recreations dovetail as neatly as the assets and liabilities on a bank statement. From October to April, he finds exercise and pleasure in figure skating twice weekly at Toronto's Granite Club. In the other six months, he frequently golfs at the Lambton Golf Club, of which he is a past president.

With Mrs. Ashforth, he took up skating some 20 years ago. They frequently attended skating carnivals as spectators, finally decided to try it themselves. Ashforth suffered a concussion in a fall on the ice four years later, but that didn't stop him for long.

Mrs. Ashforth is the former Nettie Ross of Mount Albert, Ont., who worked at the Dominion Bank head office prior to the marriage in 1921. One of her duties was to sign bank notes, and the couple still have a Dominion Bank $10 bill bearing the signature, N. Ross.

One son recently earned the degree of Chartered Accountant in Toronto. Another works for the Royal Bank of Canada in Montevideo, Uruguay. A brother is assistant general manager of the Canadian Bank of Commerce in Montreal.

* * *

## Concrete Group President

A 40-year-old Irishman, who came to Canada as soon as he finished school, to become a driver-salesman for an Ontario transport company, is the new president of the National Concrete Products Association. William Kirkpatrick, of H & K Concrete Specialties, Woodstock, Ont., was elected at the two-day meeting of the association in Niagara Falls.

After coming to Canada in 1929 with his parents when he was 14, Kirkpatrick worked with Gilmour Transport Company in Burgessville, Ont., until 1936. He then joined Schell Transport of Woodstock. During his last four years in the transport division of the company he was with a bus line operated by Norman Schell. In 1946 the company built a block plant, and Kirkpatrick transferred his attention to that end of the business, first as a salesman, then as sales manager.

MR. KIRKPATRICK

Three years ago he teamed up with another Schell salesman, Harold Hughes, to form a partnership, called H & K Concrete Specialties. The two now operate two plants. The one in Brantford makes burial vaults, septic tanks, well rings and chimney caps as well as building blocks. The other in Woodstock, makes precast sidewalk slabs, precast facing stone, and handles a line of Schell products, as well as its own.

# What Others Are Saying

## Editorial of the Week

### They Talk Too Much

Vancouver Province

Three things make for too much talk in our Parliament. We have debates that wander round and round and do not get anywhere. We have too many speakers and they speak too long.

Except for the government speaker introducing a topic and the opposition speaker replying, speeches at Ottawa are limited to 40 minutes. But 40 minutes is too long. If he had to, a speaker could say all he had to say on a subject in half that time.

Condensation would make for better speaking, for more cogent and forceful argument.

There are three ways of saving time in Parliament: cutting out unnecessary debates or reducing them; shortening debates by use of the closure; and reducing the length of speeches.

## Other People's Views

THE BEAVER is not beautiful, admits the **Portage (Man.) Enterprise**, but he "is just about the only animal not afraid of hard work. Let's keep him as a national emblem."

WE CANADIANS pride ourselves on our reserve and good manners but, urges the **Paris (Ont.) Star**, "a little less reserve and a little more genuine friendliness and understanding for our southern neighbors might be good for everybody concerned."

COULD BEARDS come back, asks the **Fredericton Gleaner**? "A fad for beards could start. It would just need the right people to appear with them in the right places, and whiskers would sweep the country!"

THEY REVEL in grief, these parties of the far right and left, thinks the **Calgary Herald**. "It seems to be pretty much of a toss-up as to who loves the miserable 1930's the most, CCF'ers or Social Crediters. Both these parties love nothing better than to snake-charm those weary old spooks out of the past."

WE WERE AMAZED to discover that a senator appointed back in 1953 only made his maiden speech when Parliament opened last month, says the **Quebec Chronicle-Telegraph** which points out: "We believe that the Senate has a definite place in government, but if this 18-months silence is at all indicative of the men appointed there, it surely is witness of the fact that Senate reform is long overdue!"

DEFICITS in the Old Age Pensions Fund will be made up of course, says the **Ottawa Journal**, but surely someone was very optimistic when they said "it would be self supporting from the revenues set aside for it" back in 1951. "The last three years have been good financial years and there were statistics available on the number of men and women who would be pensionable."

WATER flowing out of Canada must come under federal control, states the **Victoria Times**, apropos of the Columbia River controversy. "Like international trade, the international movement of water is essentially Federal business. If it were not so, ten provinces could create ten different policies and there could be no national policy at all."

WHAT'S WRONG WITH THE WEST that it does not breed men of the capacity to fill Ottawa ministries, asks the **Peterborough Examiner**. "Not one member of the Dominion Cabinet is from west of the Great Lakes. It cannot be argued that the West is too young to have raised major sons of Cabinet calibre. The West—even B.C.—has been populated for a century now, and the youngest Western Provinces, Saskatchewan and Alberta, will be celebrating the fiftieth anniversary of their creation on September 1 of this year."

**The Financial Post**

Member Audit Bureau of Circulations
Member Business Newspapers Association of Canada

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Advertising Manager—Austin A. Weaver.

Advertising Production—Evelyn Carroll.

Circulation Manager—Robert H. Olivella.

Promotion Manager—Stanley E. Caldwell.

Art—Chris V. Yaneff, Walter Kosack, Manfred Gotthans.

Montreal—Murray R. Chipman, eastern manager.

Subscription Terms—Single copies 20c. Yearly in Canada, $6; (two years, $11); all other countries, $7 (two years, $13).

Advertising Rates: Single insertion $1 per inch. Contract terms upon request.

Authorized as second-class mail, Post Office Department, Ottawa.

Main articles indexed in The Canadian Index of The Canadian Library Association published 10 times yearly and cumulative annually.

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Published and Printed by
MACLEAN-HUNTER PUBLISHING COMPANY LIMITED
TORONTO 2: 481 University Avenue. EMpire 3-5011.
MONTREAL 2: 1242 Peel St. UNiversity 6-9041.

HORACE T. HUNTER, Chairman of the Board
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OTHER SERVICES: Canadian Press Clipping Service, Commercial Printing Division, National List of Advertisers.

MACLEAN-HUNTER LIMITED
LONDON: Wellington House, 125 Strand, London, W.C.2; Cable Atabek: Temple Bar 1616.

MACLEAN-HUNTER PUBLISHING CORPORATION
NEW YORK 36: 522 Fifth Ave., Murray Hill 2-7888.
CHICAGO 6: 309 West Jackson Blvd., Harrison 7-7890.

Representative:
DUNCAN A. SCOTT & CO.
LOS ANGELES 5: 2978 Wilshire Blvd., DUnkirk 8-4151.
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**LABOR ROUNDUP**

By JACK McARTHUR

# *Steelworkers Aim For Jackpot*

## Unchastened, Millard's Men Polish Plans For '55

The rocky bargaining road it's been jouncing along the last two years apparently hasn't altered the determination of the big (70,000 members) CIO-CCL United Steelworkers' Union to go after major wage, benefit and organization triumphs.

Results: Primary steel, base metal, metal fabrication, mining and other companies organized by C. H. Millard's stubborn steelworkers face long tough bargaining — maybe strikes — before contract signings.

If there was any doubt of the situation, it disappeared last week end in Hamilton at the Union's national policy conference.

The Union underlined these ambitions:

—Standardized, considerably higher pay for steel workers.

—It wants to push organization in areas where there'll be industrial expansion resulting from the St. Lawrence Seaway project.

—There'll be a drive this year in Quebec-Ontario USW mines to reduce hours and boost wages. (The Union spent $2 millions on the mine strike ended January, 1954, won sparse reward for its efforts).

—USW will continue attempts to organize Iron Ore Co. workers in the new Quebec-Labrador iron area.

—It aims to grab Kitimat aluminum workers from the AFL, possibly in an April vote.

—It wants company-wide bargaining in its contracts, such as it now has with John Inglis-English Electric and with General Steel Wares.

—It will continue efforts to undermine the Commie-led Mine Mill and Smelter Workers in British Columbia.

Whether strikes develop in USW-organized companies probably will depend upon the business picture this fall. If it's good, the Union will be unfriendly to compromise. It could hold out for wage-benefit packages worth 10c-15c hr.

* * *

### *Here's The "How" Of Safety Plans*

How do you keep your employees from carving themselves in your big meat-slicer? Or from mashing their toes under factory-truck wheels?

A pretty good partial answer: Set up a plant safety program.

Burns & Co. has got encouraging results from its safety campaign. The accident rate at the Regina plant has been cut from 200 per million man-hrs. to 12. Number of lost-time mishaps at the Calgary plant fell from 86 in 1946 to five last year.

Impressive results. According to Personnel Manager J. H. Toombs, who spoke last week to the Hamilton meeting of the Industrial and Development Council of the Canadian Meat Packers, here's how it's done:

—Keep accurate accident records.

—Carefully investigate every accident.

—Set up a labor-management safety committee, which meets regularly.

—Ensure prompt attention to repairs or renovations suggested in the interests of safety and approved by management.

—Make sure foremen actively accept responsibility for safe operation.

—Have adequate first aid facilities.

* * *

### *Labor Briefs*

The drive by Canadian Broadcasting Corporation technicians for wages comparable to U. S. levels was limping to a halt this week following a flat rejection of their demands by a conciliation board. The CIO-CCL Broadcasting Engineers and Technicians wants increases averaging 30%. It's unlikely to get them. Possibility: A late February or March strike which would tie up all CBC radio and TV stations.

* * *

The allied labor council movement within the TLC chalked up another victory last week with the signing of an agreement between Ontario Hydro and Allied Construction Council (AFL-TLC) covering Seaway project employees. The Council has 17 unions banded in one for convenient and effective bargaining.

Wages in the new agreement will be higher than those now paid in the Seaway area. Meanwhile, 10,000 regular Hydro employees get a 4% boost, following contract-signing between Hydro and Hydro Employees' Association.

United Steelworkers' Union has been one of the question-marks in discussion of the labor unity move, both in Canada and the U. S.

But it's becoming increasingly apparent the big and powerful union is sympathetic to labor unity. In Hamilton last week end at the Canadian union's policy conference, Director C. H. Millard said unity wasn't an "if" but a "when" question.

Millard endorsed the stand of TLC President Jodoin that affiliates of a united labor group be free to support any political party. This is another subject where TLC-CCL disagreement is a possibility.

* * *

Another chink in the bristling union front being constructed against hosiery industry pleas for wage cuts has been filled in.

The AFL-TLC United Textile Workers (6,000 members) plans to join the CIO-CCL Textile Workers' Union (18,000 members) and the CCCL Hosiery Workers (1,800) in the fight. The latter pair already had announced plans for co-operation (The Financial Post, Jan. 29).

* * *

Here's the latest example of unions becoming capitalists: In the U. S. the AFL International Brotherhood of Electrical Workers has purchased majority control of the $4 million American Standard Life Insurance Co. It's an investment for union pension funds.

# *Red Feather Receipts Up But More Calls For Help*

Delegates from Community Chests and Welfare Councils across the country met in Toronto last week to review 1954 operations. During the conference they:

—Heard that last year's campaign netted better than $16 millions, 98.3% of the objective, and $2.3 millions more than was raised in 1953.

—Urged fresh consideration by governments of the plight of unemployed workers not covered by unemployment insurance.

—Discussed the shortage of trained workers.

The 1954 giving across Canada averaged out at $2.56 per capita, 21c more than the previous year, but the additional money was needed to take care of the 114 new organizations that had joined, the conference was told.

Drawing attention to uninsured unemployeds, the national council suggested responsibilities of each level of government be agreed on and emphasized the social danger of the demoralization that accompanies unemployment.

The shortage of trained social workers has been aggravated by salaries so low that these people are being attracted to other fields, delegates were told. Various methods of increasing the number of volunteer workers were discussed.

The need for improved public relations programs also came under scrutiny with Henry Weber, public relations director for the Community Chests and Councils of America, recommending simple, straightforward appeals and a simplified, often-repeated message.

Delegates also heard a report on a brief presented to the Federal Government prior to the conference which urged a sales tax refund for charitable organizations and an increased tax exemption for charitable donations.

# NHA Homes To Cost More? Ottawa Lifts Price Clamp

OTTAWA (Staff)—New houses may cost more starting this week in some localities where builders have not found adequate incentive in the old maximum selling price fixed by CMHC. But there should be more new homes.

The most likely spots for dearer and more plentiful houses are some, but not all, of the big urban centres. Look out for increases in Halifax, Montreal, Greater Toronto, Regina, Vancouver. In smaller centres, and rural areas, and most of the other cities, prices should be unaffected or may move downward.

Abolition of the nine-year-old maximum selling price on new houses financed under the National Housing Act came as a surprise announcement from Public Works Minister R. H. Winters this week. It could affect almost half of Canada's new houses according to 1954 figures. In that year a record 117,800 new houses were started. CMHC loans were approved during the year for 54,000 houses.

For the builders the abolition of government price control meant a new possibility of price competition. It meant that they would now be able to borrow money without having to accept any fixed maximum. In some centres, such as those mentioned, they welcomed it as a chance to sell houses for what they would fetch.

In other districts it foreshadowed the possibility of having to sell for less than the old maximum price would have been. The fixed CMHC maximum sometimes operated as a floor: it had the blessing of the Government, and it was something the purchaser could hardly argue about. Now any builder who wants to reduce his price a little may have a better chance of getting more business.

The same methods will still be used to determine the "lending value" of a house. The only difference is that until now a builder could not get the full permitted loan unless he agreed to sell the house for not more than the fixed maximum (which was normally the same as the lending value).

Once the lending value is settled by CMHC the builder may borrow 90% of the first $8,000 of lending value and 70% of the rest. On a house appraised at $16,000, which would formerly have been controlled to sell at $16,000 too, the builder can borrow $12,800. But now he can sell for anything he likes or can get.

Any increase in price over the lending value would add to the down payment the home buyer would make to the builder, but not to the mortgage loan. With sales at less than the lending value, the situation will be the same as before. The lender is required by the Act to use his best efforts to see the home buyer has at least 10% equity.

If a builder sold a house for a price so low that the downpayment fell below 10%, he would be asked to pay back part of the loan when CMHC processed the sale form. The maximum loan under any circumstances is still $12,800.

In handing back the housing market to free price competition, Mr. Winters said he thought supplies were now adequate to make such competition work properly. Last year's starts, at 117,800, and completions, at 106,400, were both records. The carryover at the New Year of uncompleted houses was 71,000.

It is also hoped here that removal of the price ceiling may encourage greater adaptability among builders as to types of house. So long as the ceiling remained, it is argued, builders were tempted to put up the sort of house on which they thought they could get the best return rather than the sort of house the public might prefer.

So long as the ceiling was in effect, about 70% of the new houses built with CMHC loans were selling at the maximum price. Some 4% to 5% of builders preferred not to take the maximum loan but to sell above the maximum. About 25% sold below the maximum.

ANNOUNCEMENT

NAMED MANAGER

Alex. B. Edwards, whose appointment as traffic manager of the Kruger Organization has been announced by Gene H. Kruger, president. An active member of the traffic fraternity, Mr. Edwards was for six years traffic manager of the Babb Company (Canada) Ltd. During the Second World War he served with the District Ordnance Officer, M.D. 4. In his present capacity he will act on behalf of the four affiliated firms comprising the Kruger Organization: Kruger Paper Company Ltd.; Richmond Pulp & Paper Company of Canada Ltd.; Sherbrooke Paper Products Ltd.; and Aluminum Extruders Ltd.

For February Investment . . .

More complete information on the shares listed below is contained in our February issue of "Investment Suggestions" a copy of which is available upon request.

| Security | Rate | Maturity | Current Price | To Yield Approx. |
|---|---|---|---|---|
| Government of Canada | 3¼% | 1979 | 100.25 | 3.24% |
| Government of Canada Guaranteed Canadian National Railway Company | 2¾% | 1963 | 99.875 | 2.77% |
| Province of New Brunswick | 3¼% | 1970 | 96.25 | 3.57% |
| Province of Ontario | 3 % | 1963/65 | 99.875 | 3.02% |
| Province of Quebec | 3 % | 1967/69 | 96.625 | 3.30% |
| City of Hamilton | 3½% | 1970 | 98.25 | 3.65% |
| Municipality of Metropolitan Toronto | 3½% | 1982 | 97.50 | 3.65% |
| City of Montreal Guaranteed Montreal Transportation Commission | 3¾% | 1960/74 | 96.00 | 4.05% |
| Bell Telephone Company of Canada | 3¾% | 1979 | 101.25 | 3.67% |
| Canadian Industries (1954) Limited | 3¾% | 1974 | 101.00 | 3.68% |
| Imperial Oil Limited | 3⅝% | 1975 | 99.75 | 3.64% |
| Kelvinator of Canada Limited | 3¾% | 1969 | 99.00 | 3.84% |
|  |  |  | Approx. Market |  |
| Aluminium Limited | $2.00 U.S. | Common | $74.50 | 2.68% |
| British Columbia Power Corporation Ltd. | 1.00 | Common | 26.625 | 3.75% |
| Canadian Pacific Railway Company | 1.50 | Common | 29.375 | 5.11% |
| Consolidated Mining & Smelting Co. | .80+.55 | Common | 32.25 | 4.19% |
| Dominion Foundries & Steel Limited | .60 | Common | 19.50 | 3.08% |
| Hinde & Dauch Paper Co. of Canada Ltd. | 1.80 | Common | 61.00 | 2.95% |
| Imperial Bank of Canada | 1.20+.30 | Common | 47.25 | 3.17% |
| Imperial Oil Limited | .90 | Common | 38.25 | 2.35% |
| Imperial Tobacco Co. of Canada Ltd. | .40+.075 | Common | 11.00 | 4.32% |
| Shawinigan Water & Power Company | 1.20+.25 | Common | 54.375 | 2.67% |
| Union Gas Company of Canada, Limited | 1.40 | Common | 45.50 | 3.08% |

Continuance of extra dividend payments as shown should not be assumed.

All bond prices are plus accrued interest, shares are subject to stock exchange commission. Bonds are offered by us as principals, shares are offered by us as agents, all offerings are subject to confirmation.

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## COMPANY REPORTS

**To assist readers in appraising and comparing company financial statements. The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

### Aircraft

**DE HAVILLAND AIRCRAFT OF CANADA LTD.** net profit for the year ended Sept. 30, 1954, was $90,741, 48.8% less than net of previous fiscal year of $177,168.

Sales volume was much the same as the preceding year, says Vice-President and Managing Director P. C. Garratt, but due to disruption of production because of the relocation of company's operations, operating costs were considerably higher.

The new manufacturing and office buildings were occupied in early 1954, and since the end of the fiscal year, a warehouse of 60,000 sq. ft. has been completed next to the main plant.

During the year a Guided Missiles division was created and may become an important part of the company, says Mr. Garratt. Company has assumed the operation and management of a Crown-owned engine repair facility at Downsview.

Capital expenditures were about $2.5 millions, of which $1.4 millions was provided by the purchase of company's debentures by the parent company, de Havilland Aircraft Co. of England.

INCOME ACCOUNT

| Years Ended Sept. 30.: | 1954 | 1953 |
|---|---|---|
| Operating profit | $644,831 | $1,134,026 |
| Less: Deprec. | 484,631 | 646,858 |
| Income tax | ♦ | 310,000 |
| Debent. & loan int. | 69,459 | ..... |
| **Net profit** | ■90,741 | 177,168 |
| Less: Cl. A divd. | 32,000 | 32,000 |
| **Surplus for year** | 58,741 | 145,168 |

♦Depreciation is less than amount allowable under income tax regulations, which allowance will render company non-taxable for 1954 fiscal year.

■Co's 1954 report shows net profit of $121,935 including $31,194 profit on disposal of fixed assets.

| **Earnings per Share and Dividend Record:** | | |
|---|---|---|
| Class A† | $2.84 | $5.54 |
| Class A‡ | 2.64 | 4.69 |
| Paid | 1.00 | 1.00 |
| Class B‡ | 0.64 | 2.69 |

None paid.

†Before (‡after) participation.

CONDENSED BALANCE SHEET

| As at Sept. 30: | 1954 | 1953 |
|---|---|---|
| Cash | $411,756 | $14,138 |
| Accts. rec., less res. | 1,500,371 | 1,947,522 |
| Adv. on contracts | 10,421 | 54,099 |
| Inventories | 4,772,526 | 4,232,393 |
| **Total curr. assets** | 6,695,074 | 6,248,152 |
| Acct. rec. re assets sold | ...... | 2,033,313 |
| Investments | 5,000 | 5,000 |
| Misc. assets | 162,879 | 162,583 |
| Fixed assets* | 6,176,929 | 4,271,950 |
| **Total assets** | 13,039,882 | 12,720,998 |
| Bk. loan & o'draft | ...... | 1,547,912 |
| Accts. & tax. pay. | 4,240,888 | 3,873,787 |
| **Total curr. liabs.** | 4,240,888 | 5,421,699 |
| Conting. res. | 100,000 | 100,000 |
| De Hav. (Eng.) loan | 100,000 | 174,087 |
| De Hav. (Eng.) debents | 1,364,000 | ...... |
| Capital stock | 306,000 | 306,000 |
| Res. fund | 1,500,000 | 1,500,000 |
| Capital surplus▲ | 4,851,072 | 4,731,224 |
| Earned surplus | 577,922 | 487,988 |
| *After depr. of | 1,588,122 | 1,108,384 |

▲Arising from sale of land and buildings.

| **Working capital** | 2,454,186 | 826,453 |
|---|---|---|

**Contingent Liability**—Consists of $300,000 re capital expenditures.

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*Turnbull Traflomatic usually means fewer elevators to handle traffic efficiently—lower long-term cost — more revenue-producing space in the building.

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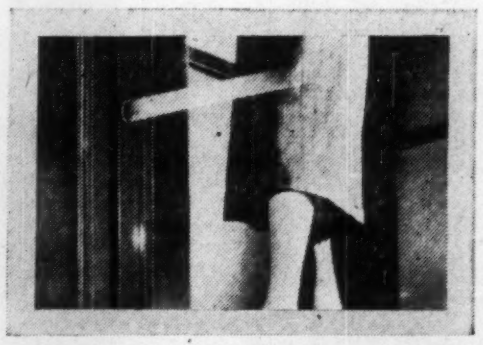

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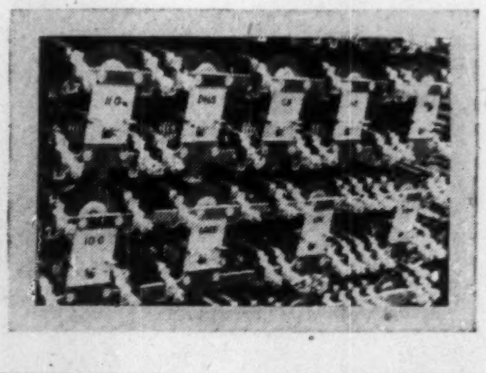

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Crown Life Building, Toronto. Architects: Marani and Morris. General Contractors: Pigott Construction Co. Ltd.

Canadian Bank of Commerce Building, Vancouver. Architects: McCarter & Nairne. General Contractors: British Columbia Bridge & Dredging Co. Ltd.

Guy Towers, Montreal. Architects: Greenspoon, Freedlander and Dunne: General Contractors: Louis Donolo, Inc.

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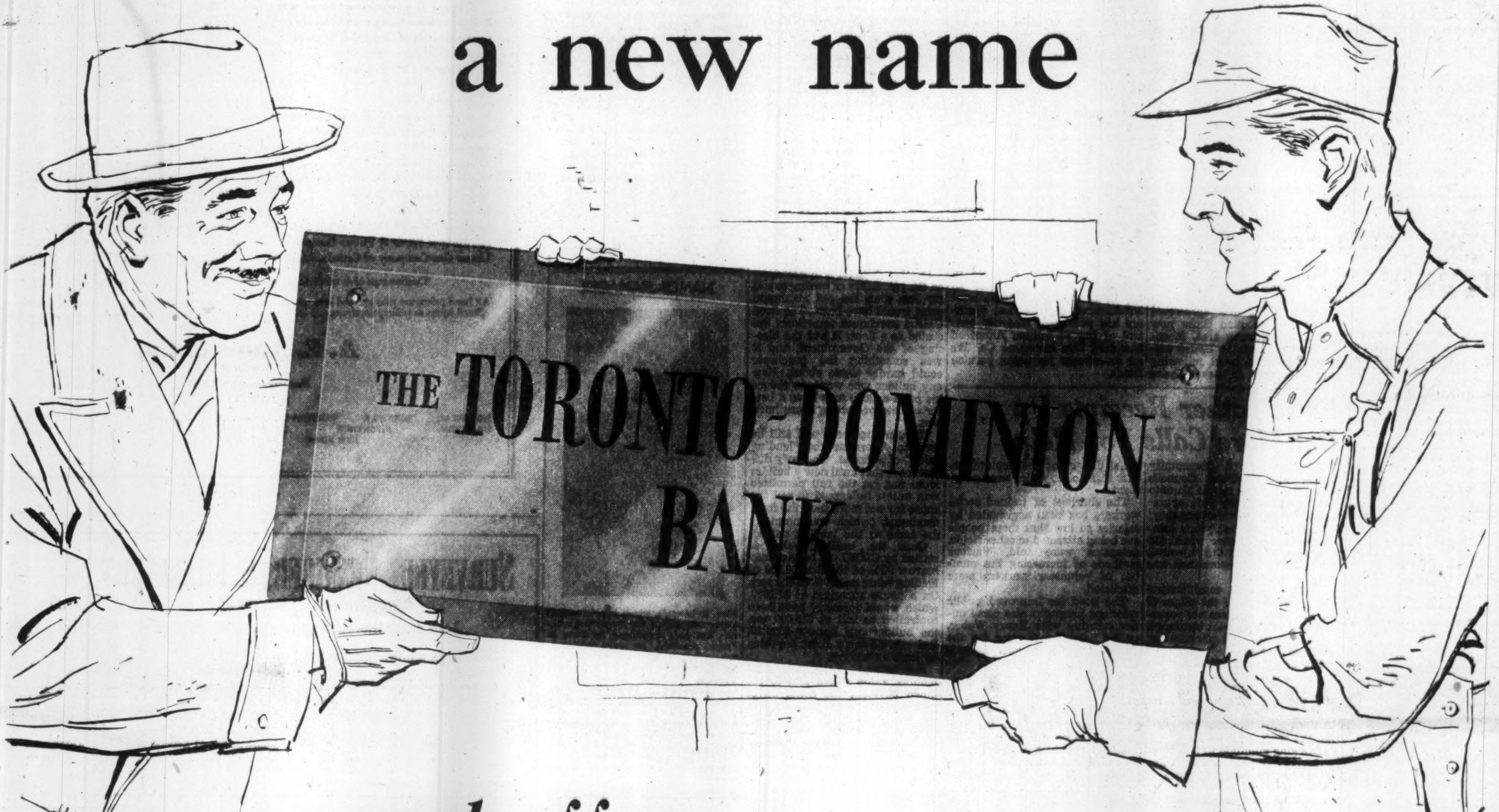

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—Steadier and maybe slightly lower prices to the consumer.

—Steadier and maybe slightly higher prices to the producer.

—More stable operation for the packing industry, with less chance of being caught by sudden market swings. This might allow the industry to operate on an even smaller profit margin. (It's already one of the smallest in Canada.)

The subject and implications of forecasting dominated much of the discussion last week at the 35th annual meeting of the Industrial and Development Council of Canadian Meat Packers in Hamilton.

The probable result — packers are going to spend more money and time in dissecting the meat market to see what makes it tick.

The Council's information director, H. K. Leckie, said there had been a number of examples of the need for better use of forecasts.

In the summer of 1954, the readjustment of hog and pork prices surprised the industry resulting in heavy losses on storage inventories. In 1952 there had been a sudden rush of hog marketings and in 1953 there was another market swing which hurt the industry.

Livestock producer N. C. Schell of Woodstock, Ont., said lack of statistical information forced farmers to "work in the dark as to market requirements, thus suffering severe price swings resulting from over-production and under-production.

"We should not in this enlightened age have to wait for the crisis to happen before we take action to combat it."

Speaking for the forecasters, M. Rachlis of the Federal Agriculture Department, said:

### Errors Are Costly

"Last fall I was told the meat-packing industry lost somewhere between $3 millions and $5 millions because it failed to assess last summer's developing trends.

"These figures may or may not have been accurate, but I am sure that you will agree in your industry errors of judgment can be very costly.

"Suppose that last summer's loss was only $1 million. For that money you can buy an awful lot of forecasts . . . I hope you invest more in that way in the future."

The forecast-minded meat packers got a practical view of future trends from an expert retail observer. E. A. Wheeler, general manager of meat and produce operation for Grand Union-Carroll Ltd., predicted heavy expansion of meat packaging at the packer level.

"Packers will be cutting and pre-packaging fresh meats for sale to retailers. Packers are far better equipped to perform this function effectively and economically than we retailers."

### How Some See It

Relevant to forecasts was the close look at markets and production taken by a number of speakers:

Leckie: ". . . In the East, the 72.5% of Canada's human population is outstripping livestock production and Eastern Canada may be close to being a deficit area for meats, if it is not already. It will have to draw more and more on the Western Canada surplus . . .

"Cattle population is not keeping pace with human population. This would seem to point to a time steadily approaching when we will have no beef surplus . . ."

R. B. How, associate professor of agricultural economics, Ontario Agricultural College:

"The changes which are likely to take place in the kind and size of cuts preferred by consumers and services which the marketing industry will be called on to perform, will be more important to livestock and the meat trade than the expansion in quantity demanded."

F. M. Baker, director of field services for the Council:

"The western farmer is in very much better shape financially than 20 years ago . . . He is in shape to go ahead with livestock production provided it looks promising to him . . . Given reasonably good economic conditions, we could easily expect to double western livestock marketings within the next 10 years."

**WILLIAM S. RICHARDSON**

**of Crown Laundry of Sherbrooke, Sherbrooke, Quebec, has been elected president, Canadian Research Institute of Launderers and Cleaners.**

# *Mobile Diesel Generator Answers Peak Load Problem*

Near a deserted factory at Rimouski, Quebec, a group of men waited beside a mobile diesel generator, mounted in a rail car, in a railway siding. Some miles away, in his office, the Mayor of Rimouski reached for his phone, dialed a number, and within 45 seconds the generator was delivering 1,000 kilowatts to the town's electrical system.

It was a significant demonstration of a new idea to meet peak load and emergency power demand.

The generator, purchased by Quebec Hydro from General Motors Diesel Ltd. is remote-controlled. A switch in the hydro office operates it.

For a long time the advantages of diesel generators as emergency stand-by equipment have been recognized. But economics rule them out in direct competition with hydro. Now the diesel men are offering a complementary service to hydro authorities—the answer to a costly problem.

This is the problem:

—Every city or industrial town needs its maximum output of electrical power for as few as 25 to 30 hours out of 8,760 hours of the year. This occurs in the three winter months when lighting up-time in homes and offices overlaps main industrial demand. For only a few minutes each day, electrical demand is boosted, often by 50%. The demand must be met. But is it logical to build permanent plant capable of handling such a load, when it will be used so little?

This is the answer:

The diesel men claim their mobile generator solves the problem. During winter weeks, a generator, or fleet of generators, could be kept in and around the city districts pumping out the extra power. For the rest of the year, they would be available for use in out-of-the-way places where power is wanted quickly for a short time.

This winter's operation at Rimouski is being closely watched by Hydro officials in all parts of the country. Quebec Hydro plans to send the generator to other areas this summer to assist industrial, mining, and lumber operations.

In addition it will always be available to replace lost power in an emergency in any area within reach of railway lines.

Other similar generators are mounted on trucks for road travel.

# Smokers Get 5c Filter-Tip Bonus

MONTREAL (Staff) — Two major cigarette manufacturers—Imperial Tobacco Ltd. and Macdonald Tobacco Co.—have cut the price on filter-tip cigarettes by five cents per package of 20. This brings it down to 35 cents, plus provincial tax where applicable. In Quebec, it means a reduction of four cents per package.

Edward C. Wood, president of Imperial, said there have been recent technological improvements in tobacco manufacture enabling the company to reduce costs and consequently price of filter-tips. (A spokesman for Macdonald gave a similar reason.)

There is no reduction in the price of standard, unfiltered cigarettes, which still sell at 33 cents (plus provincial tax in some provinces), for 20. Although prices of the two types are only two cents apart now, the tobacco trade did not anticipate much of a boost in filter-tip sales.

At present, filter-tip sales in Canada represent less than 2% of total sales, according to one source.

"There may be some increase but we aren't doing any promotional work," said a spokesman for Imperial.

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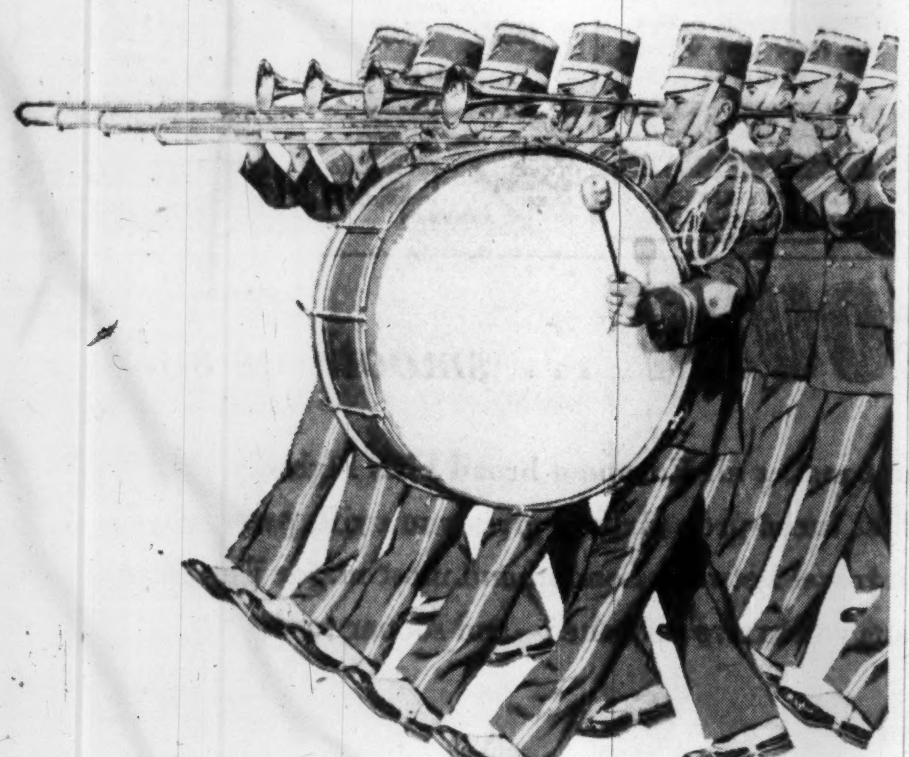

## Which beats faster . . . a drummer or YOUR HEART?

When a march is played in standard marching time, the bass drummer beats his drum around 70 times a minute.

Your heart, however, beats even faster . . . about 72 times a minute or more than 4,000 times an hour. Moreover, your heart, unlike the drummer, never gets a chance to rest, save for a fraction of a second between beats. On and on it beats to pump about 240 gallons of blood throughout the body every hour, year in and year out.

Multiply the heart's hourly output of work by the days, months and years that it functions during an average lifetime, and you will realize how wonderfully sturdy and efficient the healthy heart is.

The heart also has remarkable reserves of strength and recuperative powers. Even after it has been seriously impaired, the heart is often capable of continuing its work for years . . . *if care and discretion are taken not to overburden it.*

Yet, despite the strength of the heart, diseases of this organ lead all other causes of death.

There are many reasons why fatalities from heart disease have mounted. For example, more and more people are living to older ages when hearts naturally lose their ability to carry on. New methods of diagnosis have also brought to light certain heart disorders that were once erroneously regarded as "acute indigestion" or some other vague condition.

If you would keep your heart working efficiently throughout life, never wait for symptoms to jolt you into giving it the consideration it deserves. Indeed, if you are approaching middle age, *now* is the time to help your heart by following such safeguards as these:

1. **Have regular, thorough health examinations.** These are important not only for detecting heart trouble early, but also for detecting other diseases that could affect the heart.
2. **Slow down after 40.** Make a determined effort to eliminate hurry, bustle and over-exertion from your daily life. If you want to continue sports, don't overdo them.
3. **Don't overeat.** Mortality from heart disease occurs one and one half times more often among overweight people than among those of normal weight. This is reason enough for keeping your weight down.
4. **Get the rest you need.** Plenty of sleep and relaxation contribute much to both your physical and mental health. When you relax, so does your heart.

Should heart disease occur, it should not necessarily mean the end of useful, rewarding activity. In fact, even a damaged heart may outlast a much stauncher heart that is abused, providing a person really takes care of his or her heart and protects it against undue strain.

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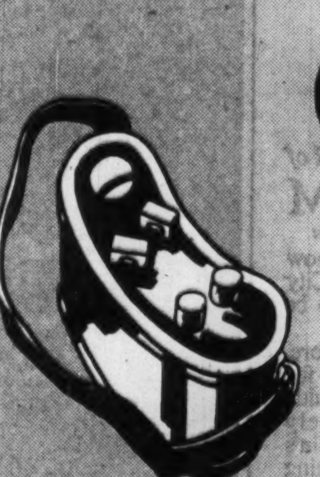

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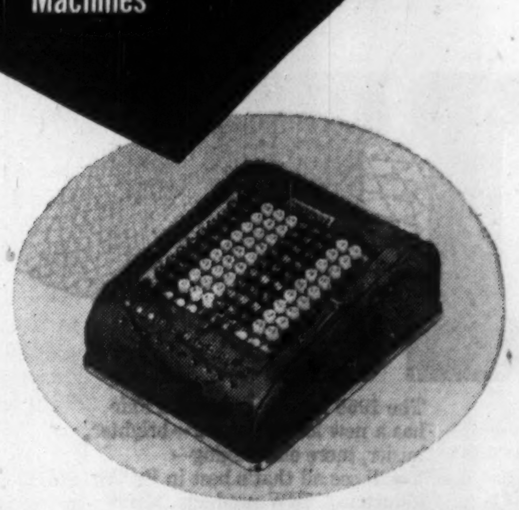

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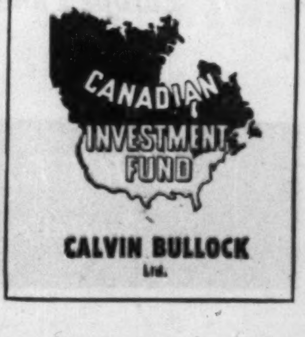

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## Crown Life Moves Into Toronto's Insurance Row

Crown Life this week led off the parade of insurance companies moving to Toronto's "Insurance Row" in the Bloor St. East area.

On Monday, Crown's 550 head office employees finished moving into the new $5 million, 120,000 sq. ft. headquarters on the northwest corner of Bloor and Church Sts. Crown will occupy the basement and five of the new building's seven stories. Remainder of the building is to be rented.

The move brings all head office functions under one roof for the first time in many years. Until now, Crown Life's headquarters had been at Yonge and Colborne Sts., and at three other downtown Toronto locations.

Two months ago, a fraternal benefit society — Independent Order of Foresters—moved into its new building on Jarvis St., a block south of Bloor, in a whirlwind 48-hour operation. Work previously carried on in the downtown Temple Building and in two other Toronto offices is now consolidated in Insurance Row.

Next occupant of Insurance Row will be J. K. Macdonald's Confederation Life, expected to move in June into its $8-million 10-story building in the triangle formed by Bloor St., Jarvis St. and Mount Pleasant Road.

Sale of Confederation's 63-year-old downtown head office and staff house, with 311,460 sq. ft. gross floor area, was recently announced. Price was $3 millions, and purchasers are thought to be a Winnipeg syndicate. Book value of the downtown building was about $2.2 millions.

In September, Continental Casualty Co. will move its 375 head office employees into its new building at Bloor and Church Sts., occupying 60,000 of the 109,000 sq. ft. A branch of Toronto-Dominion Bank will be opened on the ground floor.

Architects are now working on plans for a new building at Church and Hayden Sts.—a block south of Bloor and a block west of Jarvis—to house the Traders Finance group of companies, which includes Canadian General Insurance Co. and Toronto General Insurance Co. Details of the proposed building have not been announced officially.

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## Company Reports

**CONFEDERATION LIFE ASSOCIATION** business in force totaled $1,399.3 millions at Dec. 31, 1954, an all-time high. New life insurance issued during the year also set a new record at $162,872,104, compared with a 1953 total of $148,885,905. Individual policies accounted for $135,621,520 of the 1954 total, and group policies $27,250,584.

Annuity contracts at year end totaled $18,757,896, of which $3,717,284 was under individual contracts and $15,040,612 under group contracts.

Group contracts for sickness and accident insurance stood at a new high at the end of 1954. Annual premiums for these contracts totaled $4,982,704.

Benefits paid to policyowners and beneficiaries during the year amounted to $26,316,798, including $6,953,334 as death claims and $19,363,464 to living policyowners. There are only 44 claims, amounting to $153,000, occurring prior to 1954 that are unpaid, reports President J. K. Macdonald.

A total of $17,103,107 was allotted to policyowners' or technical reserve.

Mortality experience was excellent, says the president. Rate of interest improved, but rate of expense was slightly higher than in 1953. Reserved surplus rose by $2,457,865 to $24,327,078, which is 7.6% of assets.

Bond and debenture holdings increased by $6 millions, and stock portfolio by $1.8 millions. These transactions produced a capital profit of more than $1 million, as well as nearly $700,000 recovery of profits made in previous years and used in those years to reduce book value of certain investments.

"The percentage of policies which have lapsed or not been continued during the first two years has increased," says Mr. Macdonald. "It is possibly a sign of the change in tempo of activity in various industries."

Net increase in mortgage investments was $6 millions, bringing the year-end total to $63 millions. Housing accounted for 98% of new mortgage loans, and 65% of approvals in Canada were under the National Housing Act. Collection of mortgage payments was very good, noted the president.

Holdings of government securities in the U. K. were reduced from 84% to 76% of Confederation's portfolio during the year. "We feel that this proportion in government is still too high," said the president, "and our objective is to find other suitable investments to give us a better rate of return."

Rate of interest earned on new investments was 5.06% in 1954, compared with 5.22% in 1953. However, gross rate of interest on total invested assets rose from 4.20% to 4.35% during the year. Net rate was 4.10%.

Directors intend to continue the same stock dividend rate in 1955 as in 1954—$1.50 per share, payable in quarterly installments.

| | 1954 | 1953 |
|---|---|---|
| | $000 | |
| Business in force | 1,399,342 | 1,301,061 |
| New business | 162,872 | 148,886 |
| Total receipts | 57,759 | 54,903 |
| Premiums | 45,566 | 43,238 |
| Int. divds., rents | 12,193 | 11,665 |
| Policy payments | 26,317 | 24,203 |
| Expenses & taxes | 10,904 | 10,641 |
| Tr. to policy res. | 16,103 | 16,766 |
| Earned surplus | 6,889 | 5,655 |
| Shareholders divds. | 150 | 150 |
| Liab. to pol'holders | 278,403 | 263,305 |
| Other liabs. | 9,866 | 10,708 |
| Special reserves | 4,797 | 4,609 |
| Liab. to sh'holders | 1,532 | 1,375 |
| Total assets | 318,392 | 301,491 |
| Free surplus | 23,795 | 21,494 |
| Int. earned | 4.10% | 4.25% |

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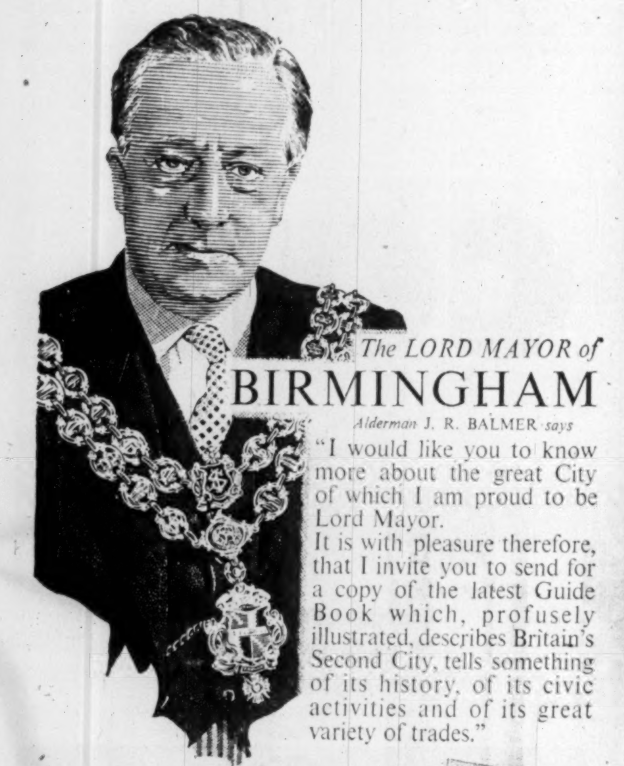

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**Who and what is BCIE?**

**A.** BCIE is an established firm of design and consulting engineers, with offices at 1304 Hornby Street, Vancouver, B. C. It is owned by the Morrison-Knudsen Company and is affiliated with International Engineering Company, another M-K subsidiary . . . an association that gives BCIE access to the latest construction methods and techniques, provides organizational flexibility and complete financial responsibility . . . essential attributes for effective project engineering.

**What are BCIE's engineering qualifications?**

**A.** The BCIE staff is comprised of seasoned engineers, men with years of practical experience in the design of multipurpose projects in Canada and other countries of the free world. The engineering skills and experience of BCIE's affiliate — International Engineering — are also available when needed.

**What is BCIE's record of accomplishment?**

**A.** In the field of hydroelectric power development, BCIE's contract responsibility for Alcan included the successful engineering of Kenney dam, Kemano powerhouse and the Kitimat transmission line. Other recent engineering accomplishments include preparation of reports, specifications and construction drawings for the Wahleach dam and powerplant; feasibility studies for the Nahatlach River project; reports, specifications and construction drawings for unit 4 addition to Bridge River powerplant; reports, contract drawings, specifications and construction drawings for the Seton Creek dam and powerplant; preparation of construction drawings for the Capilano dam.

**What does BCIE offer?**

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# What's New

New Products, Applications and Ideas Gathered from World-Wide Sources or Made in Canada for the First Time

***YOU ARE INVITED to publicize your new products in this column. Write, Editor, What's New, The Financial Post, 481 University Ave., Toronto 2, Canada.***

### *Anyone For Tennis?*

Does your tennis racket need restringing? There's a new man-made fibre, developed in Britain and tested secretly in Wimbledon and Davis Cup tournaments, that's said to be superior even to the best natural gut. It's made by careful spiral wrapping of nylon or terylene around a central core of nylon, with individual craftsmanship an important feature. Is an all-weather string—impervious to damp and heat. Has all the advantages of natural gut, and in addition it adds years to a racket's life. Produced at half the cost of the best sheep's gut.

* * *

### *Plastic For Surgery*

New surgical dressing is said to keep wounds dry without sticking, to prevent trauma and infection and to accelerate natural healing. Consists of perforated plastic film, worn next to the wound, and a non-woven highly absorbent cotton fabric, which draws wound drainage through the perforation. Large enough to allow rapid absorption, these perforations are nevertheless small enough to exclude the new tissue buds. Because the plastic film is worn next to the skin there's no painful tearing of tissue when the dressing is removed.

* * *

### *Reaches Roving Personnel*

Industrial paging system combines sound paging with two-way intercommunication. To page an employee an authorized person merely presses a button and speaks into the handset. His voice is amplified and heard clearly over the whole plant, even in high noise level areas. The person paged then goes to the nearest station, picks up the handset and is automatically put in a two-way voice contact. Especially serviceable in plants where emergency situations require fast communication. Several people may talk over the system at once if a conference is necessary.

* * *

### *Supersonic Snaps*

Aircraft reconnaissance camera designed to produce night aerial photos which are perfectly clear in detail and which can be taken from high speed (jet) aircraft incorporates fast-acting electric clutch to actuate the camera shutter. Extremely small in size it eliminates adjustments, has precision control and operates in extremes of temperature. Illumination of the target area is accomplished by the use of powerful flash bombs dropped prior to the photo "run."

* * *

### *Measures Smokes*

Electronically operated tobacco-weighing machine estimates to a tiny fraction of an ounce the packing of a cigarette and can control production of 60,000 cigarettes in an hour. The machine, known as a radio-isotope scanner, uses strontium-90 radioactive isotopes. Guarantees a correctly made cigarette, and prevents waste of an expensive raw material—tobacco.

* * *

### *Tiny Transmitter*

Solar-powered experimental radio transmitter, for use in transistor application demonstrations, is but the size of a package of cigarettes. Is self-contained. Uses transistors instead of batteries. When light rays strike the selenium, sufficient electrical energy is delivered to the transistors to operate the transmitter. A home or car radio is used to receive messages broadcast by the transmitter.

* * *

### *Professional Paper Cutter*

Low-cost manual paper cutter, for use in any firm's duplicating department, will cut paper and trim jobs up to 14 in. Of heavy steel construction, it is designed for long life. The lever is properly balanced for easy cutting. After each cut and when the lever is returned, it is automatically locked with a safety latch that must be released before making another cut. Cutting table has a permanent rule so that back gauge can be set for any size desired.

* * *

### *Tough Teeth*

Now available in Canada is new saw blade with teeth that are specially hardened after precision filing and setting at the factory. Said to eliminate the necessity of refiling and thus to save on an average as much as two full working days in 32 in the log sawing business.

* * *

### *Dust Mitt*

Fur-like mitt for dusting and polishing, eliminates the nuisance of having to fold and refold the usual dust rags, does a better job and in half the time, it's said. Entirely washable, it will dry in minutes.

* * *

### *New Catalogues*

**Canadian Standards Association, Ottawa,** announces special publication G134.1-1954 Handbook of Steel and Iron Wrought Products (First Edition). Provides a working knowledge of fundamental steel and metallurgy and manufacturing practices. Also provided is a comprehensive list of and descriptions of various steel products which have become established in the steel industry. Represents current usages common to both the U.S. and Canada and will therefore facilitate interpretation and unification of terminology and practices in the field involved.

## COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

### Insurance

**IMPERIAL LIFE ASSURANCE CO.** new business written in 1954 reached an all-time high of $106,670,403, 18.8% greater than the 1953 total of $89,825,406. Included was $17,212,688 of group life assurance, bringing total group life business in force to $85.7 millions.

New sales in Great Britain were up 33%, and in Canada 18%. Increase in Quebec was 24%, and in the four western provinces 23%. In 1954, 80% of the new business came from Canadian branches, 15% from British branches, and 5% from others. Average new policy sold in Canada amounted to more than $6,000.

Life assurance and annuities in force totaled $813,741,678 at Dec. 31, 1954, up 7.7% from the previous year-end total of $755,503,369. Other annuity contracts now provide for annual income payments of $2,132,332, reports President A. Ross Poyntz.

Reserves for assurance and annuity liabilities at the end of 1954 totaled $159,875,634. Contingency and investment reserve was increased by $100,000, surplus apportioned to policies was increased by $350,000, and unapportioned surplus by $907,660.

Premium income rose to $23,581,757 in 1954, and investment income to $8,213,138. Investment transactions produced a capital profit of $440,000.

Payments under death claims were $4,572,956 ($3,838,050 in 1953), the increase being due chiefly to the larger amount of protection in force.

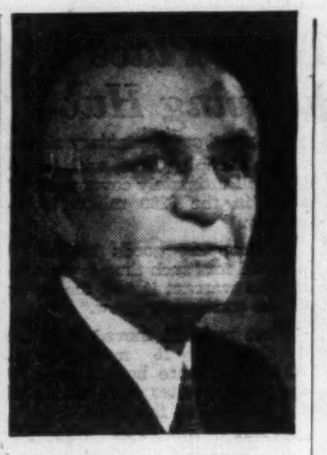
At year-end, assets totaled $208,387,759 ($198,683,487). Net rate of investment income earned was 4.18%. Yields ranged from 3.36% on U. S. bonds to 6.06% on mortgages.

New mortgage investments of $15,750 millions produced a net gain of $9.6 millions after capital repayments. This brought total mortgage investment at year-end to $53,148,000 or 26% of assets (22.5% at end of 1953). Of this, 87% was in residential housing.

Progressive medical research and practice has helped to improve company's mortality experience, and has permitted it to insure a broader section of the population, said the president. In 1954, insurance was denied to less than 3% of applicants, and only 3% of the remainder had to pay more than standard premium.

| | 1954 | 1953 |
|---|---|---|
| | —$000— | |
| Bus. in force incl. retirement annuities | $813,742 | $755,503 |
| New business | 106,670 | 89,825 |
| Total receipts | 31,896 | 29,771 |
| Premiums | 23,582 | 21,951 |
| Int., divds., etc. | 8,213 | 7,820 |
| Other | [illegible] | ...... |
| Policy payments | 14,167 | [illegible] |
| Inc. in p'holders fds. | 8,716 | [illegible] |
| Sh'holders divds. | 150 | 150 |
| Other payments | 1,135 | [illegible] |
| Expenses, taxes | 6,310 | 6,139 |
| Adjust. in assets | ...... | 182 |
| Liabs. to p'holders incl. actuarial res. | 192,935 | 184,629 |
| Liabs. to sh'holders | 1,426 | 1,386 |
| Other liabs., taxes | 793 | 792 |
| Total assets | 208,388 | 198,683 |
| Surplus pol. funds | 5,200 | 4,850 |
| Conting. res. | 1,700 | 1,600 |
| Free surplus | 6,334 | 5,426 |
| Net int. earned | 4.18% | 4.02% |

**ABITIBI POWER & PAPER CO.** has converted $9,453,400 par value of the outstanding 4¼% convertible debentures into 378,136 common shares prior to Jan. 25, 1955, the date on which the entire issue of $10 millions was called for redemption.



**GORDON C. LINDSAY, C.B.E.**

**general manager, Toronto General Trusts Corp., has been elected director and vice-president; continues as general manager.**

## Allstate Introduces Pleasure Car Rate

An insurance classification for Ontario drivers who use their cars strictly for pleasure has been announced by Allstate Insurance Co., Toronto. If the insured car is not used for business nor to drive to and from work, the liability rate reduction will average 9.3% in the Toronto-Hamilton areas, 8.9% in the Windsor area, and 5.4% in the Sarnia, London, Niagara Falls, St. Catharines, Oshawa and Peterborough areas.

These reductions apply to most drivers with no-accident records. Increases will be made in rates charged to male drivers who are under 25.

Some increases will also be made of collision rates, with the larger increases in Northern Ontario.

Imperial Bank of Canada

Offering of Additional Capital Stock

Shareholders of record January 7, 1955 have been offered the right to subscribe for three new shares for each seven shares held. One warrant will be provided for each new share to which a shareholder is entitled to subscribe

New shares may be paid for in full or in ten monthly instalments of $3.20 each per share commencing May 3, 1955. Each new share subscribed for will rank for future dividends in the proportion which the total amount of subscription payments received by the Bank for each share on or before the record date of such dividend bears to $32.00.

We recommend Imperial Bank of Canada shares for investment.

If you are a shareholder of the Bank we offer our facilities to help you exercise your warrants . . . to purchase additional warrants . . . or to sell all or part of your warrants.

If you are not a shareholder but wish to purchase shares of the Bank we will gladly tell you the most advantageous way to buy them . . . either by the purchase of shares, or by the purchase and exercise of warrants.

*A folder describing the offering of additional shares and giving information concerning the Bank will be sent to you upon request.*

A. E. Ames & Co.
Limited
*Business Established 1889*

HOW TO HELP OLDER PEOPLE
ALBERT EINSTEIN
The man who never was
THE Eternal Smile AND OTHER STORIES
Inside Government House
THE WHITE AND THE GOLD
THOMAS B. COSTAIN
Me and My Russian Wife
'TWAS
HUTCHISON
the seven men of spandau

This shelf of books
is another reason why
all Canada is talking MACLEAN'S

This is the story behind two of the books on the shelf above. One of them is The White and The Gold and the other is The Royal Family. You've recently read generous portions of both of them in Maclean's. The first was written by Thomas Costain, a former editor of Maclean's; the second was written by Pierre Berton, the present managing editor. There the similarity ends.

Costain's story of Canada's first thrilling three hundred years started out as a book. Then before book publication, it was reduced to a series of articles for Maclean's readers. Berton's intimate and lively study of the Royal Family started out as a series of Maclean's articles. Then it was fattened out into a book.

This kind of legerdemain hardly raises a cheer around the Maclean's office. It's happening so often nowadays, as the editors pan out the rushing torrent of books from the world's leading publishers. When they strike a nugget, it gets carefully trimmed and polished and sent to feed those giant presses.

The big thing, of course, is that you get to read it *before* the book itself is on sale in the book stores. It's like being a regular guest at a continuous stream of movie previews.

Several of Maclean's recent book choices shown on the shelf above, have ended up in the Book of the Month lists.

A new and important book by Bruce Hutchison (of The Unknown Country, The Incredible Canadian) will soon begin in Maclean's. Chapter by chapter, it will unfold the half-forgotten story of The Struggle for the Border. You know which border — the longest undefended one that hasn't always been undefended by any means. Coming up is a new novel by Morley Callaghan, the finest thing he's done in years. And the editors are dickering for some other items still so secret that they aren't even telling their wives about them yet.

These will be added to past successes like Fred Bodsworth's The Last of the Curlews; Dr. Rudolph Flesch's Why Johnny Can't Read; Lord Bertrand Russell's Human Society in Ethics and Politics; Antonina Vallentin's The Drama of Albert Einstein; Col. Sir John Hunt's Ascent of Everest; Bert Parker's Kid in the Klondike.

To get this kind of material, Maclean's is in competition with the biggest and richest magazines in the world. It's a tough league. But the batting average is there to prove that Maclean's is getting better all the time — better to read, better to advertise in.

MACLEAN'S
CANADA'S NATIONAL MAGAZINE
*A Maclean-Hunter Publication*

# Start First Seaway Canal This Month, Ready By '57

(Continued from page 1)

U. S.-side Long Sault canal, downriver from Iroquois.

Clearing of the Iroquois site will begin this month after finalization of the contract award. The contract hasn't been signed yet.

The work is scheduled for completion Nov. 30, 1957, because it is integrated with other portions of the Seaway program — for example, Iroquois Dam which is adjacent to the Iroquois lock.

The materials will be purchased in Canada.

The biggest single item will be cement. Others will include lumber and some structural steel, although the latter item is not a large requirement.

The Iroquois canal will require 270,000 cu. yds. of concrete, which means about 1,450,000 bags of cement and 400,000 tons of concrete aggregate (sand and crushed rock).

The lock, with similar dimensions to the Welland Canal, will have a length of 768 ft., a width of 80 ft., a depth of 30 ft. over sills and an approach channel depth of 27 ft. at all river stages.

Pentagon Construction is a Canadian-owned firm headed by President C. Howard Gordon. Vice-president and general manager is H. R. Montgomery.

President of Iroquois Construction is C. C. Rathgeb; vice-president is George W. Rayner. Firms interested in Iroquois Constructors, which is an all-Canadian group of contractors, are Angus Robertson Ltd., Canadian Comstock Co., Foundation Co. of Canada, Pentagon Construction, Rayner & Armstrong Ltd.

It is contemplated that Pentagon Construction will act as sponsors and managers of the contract for the group and will call upon the various members of the group for assistance in providing specialized personnel, equipment and know-how.

The low tender represented the composite thinking of all the construction groups represented in Iroquois and is the result of many meetings of the group prior to submitting the bid, spokesmen told The Post.

Closest contenders in bidding for the job:

—Pentagon and Iroquois, $6,470,000.

—Northern Construction Co. and J. W. Stewart, Ltd., $6,543,-373.

—Canit Construction Ltd., $6,731,200.

—Deschamps & Belanger Ltée., Dufresne Engineering Co., A. Janin & Cie., Key Construction Ltd., $6,899,000.

—McNamara, Pigott & Peacock, $6,975,600.

Other bidders:

—C. A. Pitts General Contractor Ltd.

—Arthur A. Johnson Canada Ltd., with Peter Kiewit Sons' Co. of Canada.

—Walsh Canadian Construction Co.

—Bran Ltd., Ekard Construction Co., S. J. Groves & Son, C. F. Lytle Co.

—E. G. M. Cape & Co.

—Utah Co. of the Americas.

# Gas Pipeline Earnings Rate

(Continued from page 1)

offered with a large proportion of this being placed in Canada.

"The latest earnings statements compiled—and based on what we consider a reasonable expectancy of sales to distributors and miscellaneous industrial markets—show a return of 3% in the first full year of pipeline operation (Nov. 1956 to Nov. 1957) and 6.8% in the fifth year," a Trans-Canada official told The Post this week.

On a capital investment of $300 millions—it would likely be somewhat less than this the first year—and estimated interest charges of around $11 millions, returns would be some $2.5 millions less than bond interest requirements, leaving nothing for common stock shareholders.

In the fifth year, returns would reach something like $20.4 millions. After providing for estimated bond interest( on an 80% bond, 20% equity basis) of $11 millions there remains some $9.4 millions. From this depreciation rates ranging anywhere from 2% to 3% would then be charged. Final net on the lower depreciation rate would be $1.7 millions (assuming 50% deduction for income tax) or about 2.8% on a $60 million equity investment.

### An Earnings Estimate

Here is a rough independent calculation of possible earnings in the fifth year. The results are substantially better than the one above.

This estimate is based on a total gas throughput of 700 million cu. ft. daily (400 million to Eastern Canada at 45c per mcf; 200 million to Northern Natural Gas in U. S. at 30c; and 100 million to the Prairies at 28c per mcf.

Total revenue on this basis would work out at around $98 millions, or on a more realistic 90% load factor, $90 millions. Against this are the cost of gas of some $38 millions (at 15c mcf at export point); operating costs of $10 millions; bond interest of $11 millions depreciation charges of $12 millions.

This would leave earnings of some $19 millions before taxes, or roughly $9.5 millions after taxes. Equity earnings in this case would be 15.9%.

All this is very rough. But small variation in any of the purchase or sale prices, or rate of pipeline throughput, can change the final net position materially. It indicates, however, that while earnings on the equity may prove attractive, it will certainly take time and there are lots of risks to be taken.

The record of most of the successful gas pipeline companies in U. S. which have had to continually expand to keep up to market requirements reveals a pattern of growing funded indebtedness over the years; and even though final net is available to a relatively small equity interest, it is several years before this stage is reached. In a rapidly growing country like Canada it would likely take many years before capital requirements of the market leveled off to such an extent as to enable a worthwhile reduction in bond interest and depreciation charges.

# *Doctors Have Their Place In This New Shopping Hub*

First store in what will be one of Canada's largest and most impressive shopping centres opened this week. Seven more stores will open at the centre this year.

The new store is a Dominion supermarket of 20,000 sq. ft. floor area. It caters for 4,400 people who now live in Don Mills Development — the totally planned residential, commercial and industrial community being built by E. P. Taylor and associates seven miles northeast of downtown Toronto.

First half of the convenience goods section of the shopping area should be complete and open for business early this summer. Included are a drug store, hardware store, laundry and dry cleaning establishment, barber shop, beauty parlor, women's apparel shop and bakery now under construction. Other units are three banks, offices for four doctors and a dentist.

Building of the second half of the convenience goods section will get under way perhaps before the year's end. It will be made up of supplementary stores.

The shopping area, with parking, will ultimately cover some 40 acres in the $200 million community.

A shopping goods section is planned for "such time as circumstances warrant it and the needs of the community grow."

First resident moved into the development 15 months ago. About 300 more houses and 200 apartment suites are scheduled for completion this year.

# Dow Sells More, Beats Down Trend

MONTREAL (Staff) — Dow Brewery Ltd. is still successfully bucking the brewing industry's recent trend toward lower volume, it was indicated at the annual meeting.

The company's sales for the quarter ended Jan. 31, 1955 increased by about 8%, said J. A. Desrochers, vice-president and general manager. Its industry position was higher than a year ago. Against this, industry sales in Quebec were down 4% in November and December, equal to the average drop during the year ended Oct. 31, 1954.

Operating results for the first quarter were expected to be satisfactory. But shareholders were told there are no signs that competition — keener than ever before — will lessen in 1955.

"A great number of brands are fighting for a greater share of the market," said Desrochers. "Our advertising and sales promotion expenditures will have to remain high for some time in order that we may keep on improving our position and earnings."

Common share dividend policy is being kept regularly under review. Payments will be resumed as soon as the company is in a position to do so, it was stated.

DISHER steel
FABRICATION
ERECTION
WAREHOUSE
CISC
CWB
DISHER STEEL CONSTRUCTION CO. LIMITED
80 COMMISSIONERS STREET, TORONTO, 2

# 49th ANNUAL STATEMENT OF The Monarch Life Assurance Company

HEAD OFFICE — WINNIPEG

## STATEMENT OF CONDITION

December 31, 1954

BOARD OF DIRECTORS
J. ELMER WOODS, PRESIDENT
C. GORDON SMITH, VICE-PRESIDENT
HUBERT J. BIRD
ROBERT J. GOURLEY
W. A. JOHNSTON, Q.C.
PETER LOWE
CONRAD S. RILEY, JR.
STEWART A. SEARLE
GEORGE E. SHARPE

OFFICERS
DARRELL LAIRD, F.S.A., GENERAL MANAGER
A. E. TARR, A.S.A., ASSISTANT GENERAL MANAGER AND TREASURER
J. S. McPHERSON, SECRETARY
H. THOMPSON, F.S.A., ACTUARY
H. D. WALLACE, SUPERINTENDENT OF AGENCIES

| ASSETS | |
|---|---|
| Bonds | $36,462,310.00 |
| Preferred Stocks | 3,090,509.00 |
| Common Stocks<br>In the aggregate, the market value of the foregoing bonds and stocks substantially exceeds the book values shown above. | 1,466,430.00 |
| Mortgages and Agreements<br>First encumbrances on improved real estate. | 3,817,253.00 |
| Real Estate<br>Purchased for income or for company use | 378,901.00 |
| Loans on Policies<br>Fully secured by the cash surrender values of the policies. | 2,927,364.00 |
| Cash in Banks and on Hand | 325,900.00 |
| Interest Accrued and Dividends Declared | 466,453.00 |
| Net Outstanding Premiums<br>Premiums in course of collection. | 356,737.00 |
| Other Assets | 3,879.00 |
| Totals | $49,295,736.00 |

| LIABILITIES, CAPITAL AND SURPLUS | |
|---|---|
| Policy Reserves<br>The amount which, with interest and future premiums will provide for the payment of all benefits in policies in force. | $39,139,254.00 |
| Policy Claims Awaiting Proof<br>Claims for which claim papers are incomplete, including provision for unreported death claims, 1954—$50,000; 1953—$100,000. | 265,992.00 |
| Other Policy Obligations<br>Policy proceeds left on deposit with the company and premiums paid in advance. | 3,056,117.00 |
| Dividends to Policyholders<br>Provision for all policyholders' dividends payable in 1955 and all other dividends accrued to the end of 1954. | 865,502.00 |
| Staff Pension Fund | 687,206.00 |
| Other Liabilities<br>Commissions, taxes and other expenses due and accrued, receipts not yet allocated. Shareholders dividend payable January 3rd, 1955. | 263,525.00 |
| | $44,277,596.00 |
| Capital Stock<br>Amount paid in. | 389,030.00 |
| Contingency Reserve | 2,000,000.00 |
| Surplus: | |
| In Shareholders' fund | 121,388.00 |
| In Insurance funds | 2,507,722.00 |
| Totals | $49,295,736.00 |

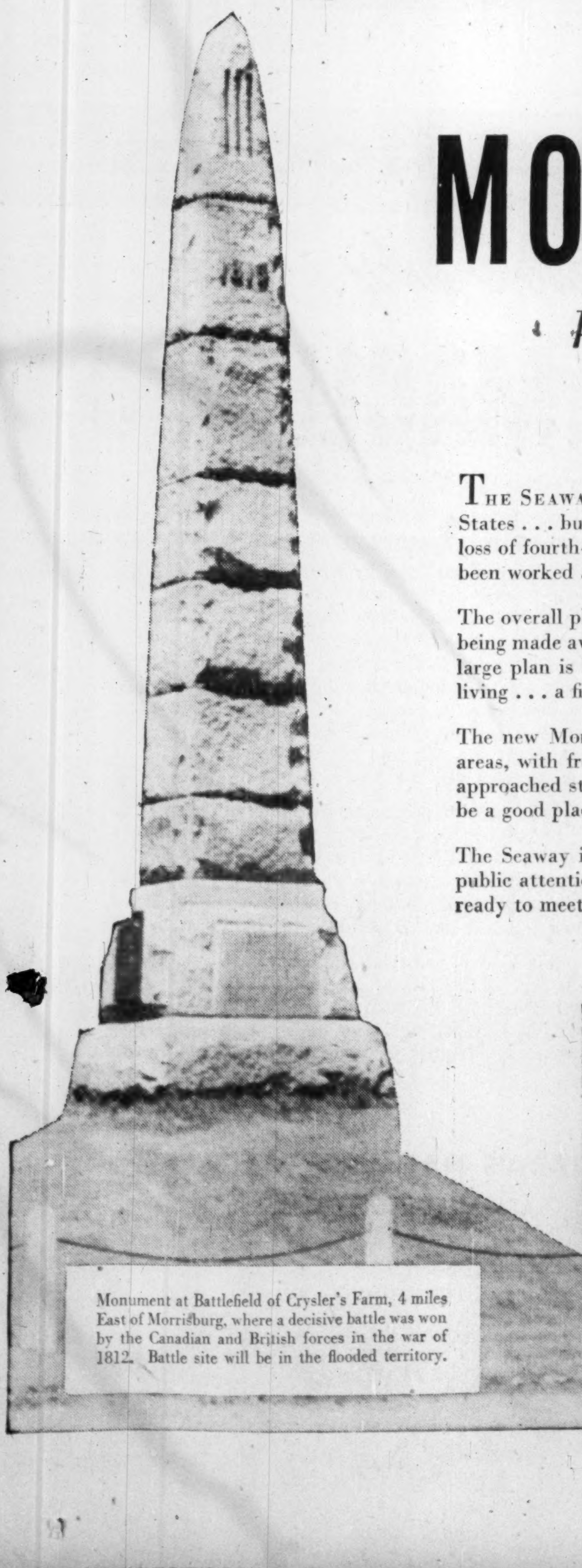
J. ELMER WOODS,
President.

DARRELL LAIRD, F.S.A.
General Manager.

BUSINESS IN FORCE $261,304,063

OFFICES AT

VICTORIA • VANCOUVER • EDMONTON • CALGARY • SASKATOON • REGINA • WINNIPEG • BRANDON
FORT WILLIAM • LONDON • HAMILTON • TORONTO • OTTAWA • MONTREAL • SHERBROOKE • TROIS RIVIERES



Monument at Battlefield of Crysler's Farm, 4 miles East of Morrisburg, where a decisive battle was won by the Canadian and British forces in the war of 1812. Battle site will be in the flooded territory.

# MORRISBURG

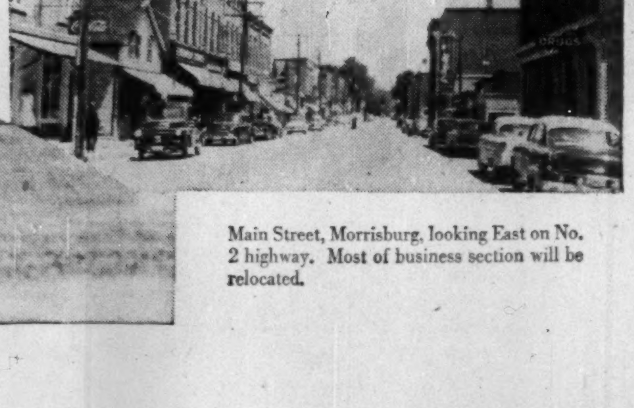
## *keeps pace with Canadian Progress*

The Seaway is of magnificent benefit to Canada and the United States . . . but to the people of Morrisburg, the Seaway means the loss of fourth-generation homes, family businesses, lands that have been worked and walked upon by early Canadian settlers.

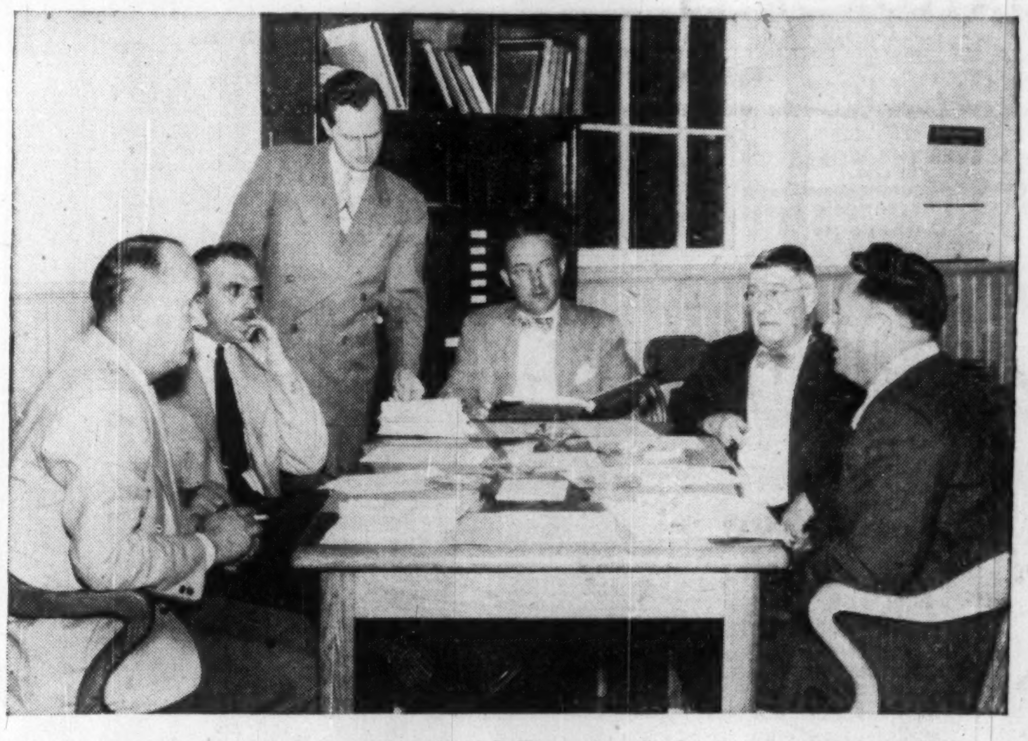
The overall planning of the progressive Ontario Hydro engineers is being made available to communities. Within the framework of the large plan is being created an entire community geared to better living . . . a finer Morrisburg.

The new Morrisburg will have integrated living areas, industrial areas, with free-flowing traffic connections—and it is being sanely approached step by step for reasonable financing. Morrisburg will be a good place to work and live.

The Seaway is bringing new people, new money and tremendous public attention to Morrisburg, and the citizens of Morrisburg are ready to meet this modern challenge.



Main Street, Morrisburg, looking East on No. 2 highway. Most of business section will be relocated.



Morrisburg Council in session: Clockwise are: *Councillor*, M. D. Wilson; *Councillor*, J. A. Edgerton; *Clerk*, George W. Tindal; *Reeve*, George E. Beavers; *Councillor* Harry B. Duval; *Councillor*, A. Wallace Guay.

## *Here's what the* NEW *MORRISBURG will offer new industries and investors.*

The Morrisburg area is to develop potentially as a deep-sea port.

Morrisburg is at the seat of one of the largest power developments in Canada.

Morrisburg will be serviced by major east-west and north-south highways for high-speed transportation.

Morrisburg is located to serve Canada's two biggest markets—Toronto and Montreal.

Morrisburg will be serviced by railways.

Morrisburg will still be the heart of a rich agricultural area.

Oil and gas pipe lines will be available to Morrisburg.

Morrisburg will retain its popular tourist attraction.

Industrial land will be located to benefit surrounding living areas.

The Morrisburg-Williamsburg Planning Board is ready to advise and assist on any industrial or development problem.

*Morrisburg realized the need for a professional technical firm to assist them in complete Community Planning and Development. We take great pride in associating our firm with modern thinking Morrisburg.*

KC

**King Coons Limited**
*Consulting Engineers*
*194 Bloor St. W., Toronto, Ontario.*

# Booming U.S. Gas Market May Fill Two B.C. Pipelines

From Our Own Correspondent

VANCOUVER — Westcoast Transmission Co. is so optimistic about the future of its gas sales to the U.S. that it's already considering plans for a second 30-in. pipeline to funnel Peace River natural gas south for export to a pyramiding U.S. market.

Construction of the first will start in June if U.S. Federal Power Commission approval comes in time.

"If the rate of successful exploration continues there will be enough gas in three to five years to fill another 30-in. pipeline," George McMahon, vice-president of Westcoast, states, "and if the demand for gas in the U.S. continues to increase as it has, then the market is there."

The two lines could push a billion cu. ft. of gas daily into the U.S., Mr. McMahon said. Plans call for the second pipe to parallel the first from Fort St. John south to Merritt. But from there, it would cut straight south, pass the International boundary near Osoyoos. It would travel about 250 miles south through Washington State to meet a Pacific Northwest spurline north of The Dalles.

The chances of finding even greater gas fields in the North are "tremendous" with B.C. alone having 30 million acres in the sedimentary basin, Mr. McMahon states.

Only the green light of U.S. Federal Power Commission is needed to get the first $140-million, 30-in., 650-mile pipeline project from Fort St. John to Huntingdon on the Canadian border under way.

Here are highlights of the first project:

—Westcoast will sell 300 million cu. ft. of Peace River gas daily to Pacific Northwest Pipeline Corp. for 22c per mcf. The agreement is guaranteed by El Paso Natural Gas—one of largest gas-pipeline firms in U.S., servicing California and southwest, and with a billion dollars in assets.

—Westcoast will file its submission to FPC in the first week of March and hearings are expected to get under way shortly afterward.

—Project will be financed 75% by bonds and 25% by various types of equities, depending on the market at the time.

—Canadian Bechtel Ltd. will be general contractors on the project and Ford, Bacon & Davis, New York, will engineer. Both companies are now establishing offices in Vancouver.

### Weather Governs Progress

—If the job starts in June a tentative completion date of Nov., 1956 has been set. The company warned, however, that weather could push this date to 30 months.

—Bechtel will use the spread method of construction to build several sections at once. If four spreads are used, for instance, the project will employ 1,500 men, for five spreads 2,000 men will be needed.

—Pipe alone will cost $40 millions, labor about $45 millions. If Canadian companies cannot supply pipe, it will be imported from U.K. and/or U.S.

—It is the firm sale of 300 million cu. ft. of gas daily at a 90% load factor that makes a 30-in. line possible. B.C. by itself will use only around 50 million cu. ft. daily in the first two or three years. It is expected Vancouver will use 20 million cu. ft. daily at the outset and build up to 40 million daily as B.C. Electric expands its distribution setup and more industrial firms switch to natural gas.

—Half the line will run through unalienated land and the remainder through private land.

—The line from Fort St. John will run south and west to Prince George, south to Quesnel and Merritt, then southwest to Chilliwack and into Huntingdon. There it will connect with the northern terminus of the 1,400-mile distribution system, costing $168 millions, to be built by Pacific Northwest with El Paso's backing.

### From Both Ends

—Pacific Northwest's line will drop south through Seattle, Tacoma and Portland before cutting east to service the Oregon cities along the Columbia River. At Pendleton, it cuts southeast through Idaho, Wyoming, Utah and New Mexico where there are large natural gas reserves in the San Juan basin. Thus Pacific Northwest will fill its pipeline from both ends.

—El Paso will build a 500-mile pipeline from a point south of Boise, Idaho, into Antioch, Cal., which is to be the selling point for San Francisco buyers.

—Pacific Petroleums will supply 60% of the gas needed to fill the first pipeline.

—Pacific Pete, which sponsored Westcoast Transmission, is launching an extensive drilling program which Mr. McMahon expects will bring in another 40-50 wells by the time the pipeline is ready to receive its first load. (There are now some 97 wells in the Fort St. John area capped and waiting for the pipeline.)

—Two types of drilling will take place while the pipeline is under construction, Mr. McMahon said. The first will be wells around Fort St. John to supply the line's needs and the second exploratory wells to map out new reserves to supply the proposed second pipeline.

—Pacific Pete will set up a large gathering system in the Fort St. John area. Company will also have to build a huge processing plant at the head of the pipeline to "strip" the gas of all impurities. This plant is expected to cost between $3-$5 millions.

—Since Pacific Pete brought in its first well in Fort St. John area in 1951, the company, its associates and other large companies have spent some $30 millions in the area.

## Staff Changes

**Chartered banks announce the following staff changes:**

**Commerce:**

T. L. AVISON, to be assistant general manager in charge of the investment division.

K. R. EAMAN, assistant accountant, Rideau St., Ottawa, to be accountant, Rideau St., Ottawa.

W. T. EASTON, accountant, Chatham, Ont., to be manager, Tilbury, Ont.

J. F. FREEMAN, to be accountant, Prince Rupert, B.C.

L. G. GIASSON, to be assistant inspector, regional office, Montreal.

H. M. HOVEY, assistant manager, Calgary, to be assistant inspector, regional office, Calgary.

E. M. MAXWELL, inspector, head office, to be assistant manager, Calgary.

W. G. S RICHARDSON, to be accountant, Whitehorse, Y.T.

J. P. THOMPSON, to be assistant chief accountant, head office, Toronto.

W. G YOUNG, to be accountant, Malton, Ont.

**Royal:**

R. GLAHOME, assistant manager, Buenos Aires, Arg., to be joint-manager, Caracas, Venezuela.

H. G HURD, head office, to be assistant manager, Winnipeg.

J. E. STEWART, 3rd St. West, Calgary, to be acting manager, Drayton Valley, Alta.

R. P. JACKSON, Bay & Temperance, Toronto, to be accountant, Harbord & Spadina, Toronto.

A. S. DAWE, head office, to be accountant, Beaver Hall, Montreal.

R. F. ROBINSON, accountant, Harbord & Spadina, Toronto, to be accountant, College & Bathurst, Toronto.

I. M. MacDOUGALD, accountant, Pictou, N.S., to be accountant, Yarmouth, N.S.

R. E. EVERETT, St. Catherine & McGill College, Montreal, to be accountant, Stephenville, Nfld.

W. A. S ROWE, West Vancouver, B.C., to be accountant, Oliver, B.C.

R. J. KILLAM, Granville & Robson, Vancouver, to be accountant, Burns Lake, B.C.

B. J. McLAUGHLIN, Lachine, Que., to be accountant, Somerset & Booth, Ottawa, Ont.

L. G. HAIRS, Sagua la Grande, Cuba, retired.

**ALLAN C. KELLY**

**of Vancouver, has been appointed vice-president, General Paint Corporation of Canada.**

# West Adopts Standards on Tourist Spots

From Our Own Correspondent

EDMONTON — Making a fresh bid for increased tourist trade, the four western provinces — Alberta, Saskatchewan, British Columbia and Manitoba — have charted plans to standardize their facilities, effective in 1957.

The general plan was approved at a recent three-day meeting in Edmonton, attended by health, licensing and travel officials from each province, who met as an interprovincial committee.

Ralph R. Moore, deputy minister of economic affairs for Alberta, announced that unanimous agreement was reached on all requirements for tourist accommodation. The same symbols will be used in each province to designate the various classifications or grades of accommodation provided in motels, villas or resorts outside the national parks. Further, the suggested classifications will be submitted to national parks authorities in the hope that they will be adopted in the parks.

The delegates also agreed that each provincial government will be asked to extend to tourist cabin and motel operators the protection now given hotel men and innkeepers under existing legislation in each province. This covers protection against property damage.

During 1955, a new system of classifying accommodation will be tested by inspectors in each province. The interprovincial committee will meet again next fall to compare results of the experimental tests and decide how the system can be made as efficient and workable as possible.

### NOTICE

### FLEET MANUFACTURING LIMITED

**5% Convertible Sinking Fund Debentures due January 31, 1968**

Interest coupons due January 31, 1955, are payable at the principal offices of The Royal Bank of Canada in Halifax, Montreal, Toronto and Vancouver.

For information write to:

N. E. BUTLER, Secretary,
Box 300,
Fort Erie, Ontario.

### Water and Sewerage Corporation of Greater Corner Brook

### Tenders for Water and Sewer Installations

Sealed tenders marked as to contents will be received by the undersigned until

**5:00 p.m. March 7, 1955**

for the execution of Contract No. 3 in Greater Corner Brook.

Plans and specifications may be obtained from the Corporation Office at address below. A deposit of $50.00 is required for each set of plans and documents. This deposit is forfeited if plans and specifications are not returned in good order on or before the fifteenth day following contract award.

Each tender must be accompanied by a security deposit as called for in the tender documents.

The Corporation does not bind itself to accept the lowest or any tender.

W. W. SERRICK, P.Eng.,
Chief Engineer.
Water and Sewerage Corporation of
Greater Corner Brook,
P.O. Box 107,
Corner Brook, Nfld.

Allison Bugden,
Chairman.
January 19, 1955.

ANGLIN-NORCROSS CORPORATION LIMITED

*is pleased to announce*

*the appointment of*

ROBERT W. JOHNSTONE

*as President and a Director of*

ANGLIN-NORCROSS ONTARIO LIMITED

*"Serving Canada for Over Half a Century"*

The DOMINION of CANADA General INSURANCE Company
Head Office: Toronto
FIRE CASUALTY LIFE

L. L. ROOKE, General Manager — H. S. GOODERHAM, President — J. E. WHITE, General Manager

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(ESTABLISHED 1887)

**WHY GIVE BURGLARS A HELPING HAND?**

Year after year, hundreds of businessmen discover — to their cost — that they've actually been giving burglars a helping hand! They do this by neglecting to keep their cash and valuables in a safe after working hours. Taylor Safes are priced from $140.00. Terms available.

Write today to 145 Front St. E., Toronto, Ontario for your free copy of the booklet, "How to Choose a Safe".

**TAYLOR SAFES**
J. & J. TAYLOR LIMITED
1855 — A CENTURY OF EXPERIENCE — 1955
SALES SERVICE

Toronto
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TS-101A

PENNY GRAMS

THE PENNY SPECIALIST SAYS:

"There is more PROFIT with less RISK to be made in carefully selected PENNY STOCKS."
Let me tell you HOW.

Write ADAM CONROY
Member Broker-Dealers Assoc. of Ontario
73 Adelaide St. W., Toronto

SPECIALIST for 31 years in PENNY and low priced stocks.

**GUNNAR MINES LTD.**

We have prepared an extensive statistical analysis of this Company which is scheduled to commence production in September 1955.

Copies are available upon request from department 21.

**BONGARD & COMPANY**
25 Adelaide Street West, Toronto, Ontario
Telephone EM. 4-5381

TORONTO LONDON WINDSOR CALGARY VANCOUVER
HAMILTON GUELPH EDMONTON VICTORIA

WHAT SECRET POWER DID THIS MAN POSSESS?

BENJAMIN FRANKLIN (A Rosicrucian)

WHY was this man great? How does anyone—man or woman—achieve greatness? Is it not by mastery of the powers within ourselves?

Know the mysterious world within you! Attune yourself to the wisdom of the ages! Grasp the inner power of your mind! Learn the secrets of a full and peaceful life! Benjamin Franklin—like many other learned and great men and women—was a Rosicrucian. The Rosicrucians (NOT a religious organization) first came to America in 1694. Today, headquarters of the Rosicrucians send over seven million pieces of mail annually to all parts of the world.

**THIS BOOK FREE!**

Write for YOUR FREE COPY of "The Mastery of Life"—TODAY. No obligation. No salesmen. A non-profit organization. Address: Scribe L.Z.A.

*The* ROSICRUCIANS
SAN JOSE (AMORC) CALIFORNIA

SEND THIS COUPON

Scribe L.Z.A.
The ROSICRUCIANS (AMORC), San Jose, California
Please send me the *free* book, *The Mastery of Life*, which explains how I may learn to use my faculties and powers of mind.
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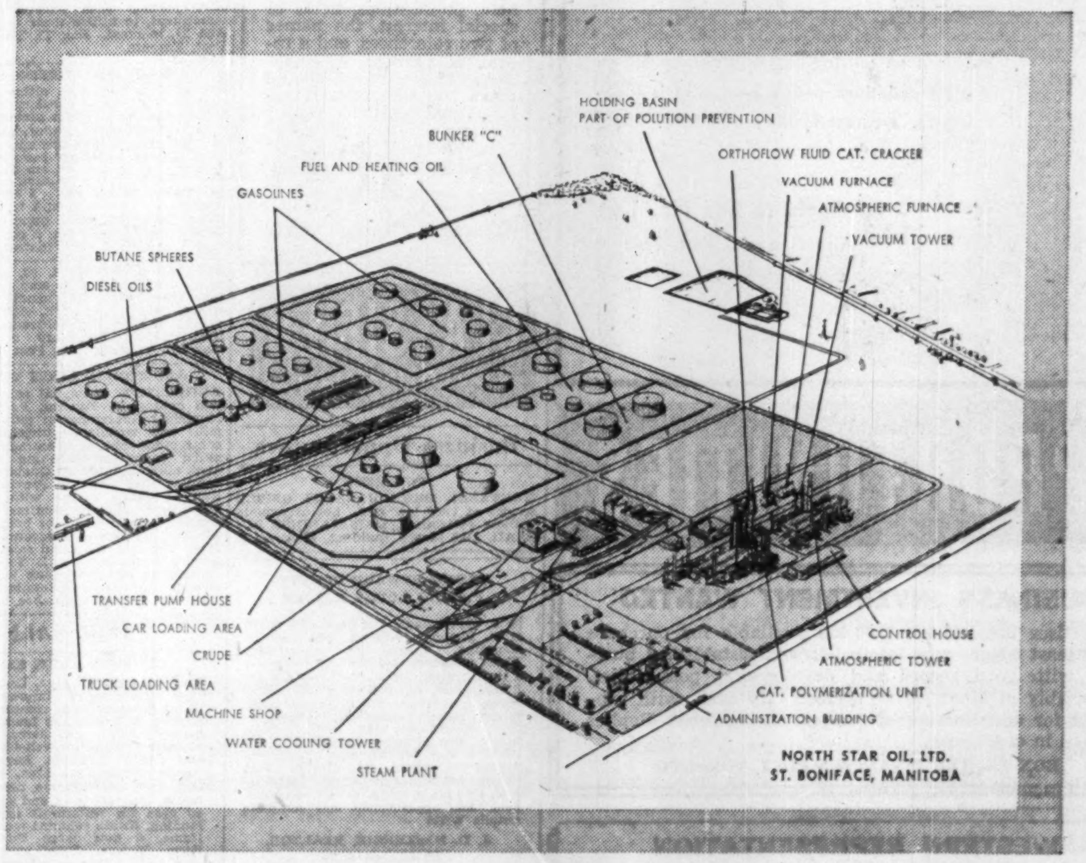
ADDRESS____________
CITY____________ ZONE______ STATE______



NORTH STAR OIL, LTD.
ST. BONIFACE, MANITOBA

from **proposal** to **production**

A site on the open prairie and a specified refinery capacity was the starting point. Kellogg process and design engineering, procurement and construction facilities were the tools. And the great new North Star Oil Company Refinery at St. Boniface is another example of Kellogg's capacity to execute rapidly every stage of refinery construction, including stringent controls to eliminate air and water pollution.

Wherever the oil and petro-chemical industries have plants in Canada—Kellogg's ability to plan, design and build for productive efficiency has been established.

These are a few of the companies with which Canadian Kellogg has worked—

Imperial Oil Limited
Consolidated Paper Company Limited
British American Oil Company Ltd.
Ford Motor Company of Canada, Limited
Canadian Oil Companies Ltd.
McColl-Frontenac Oil Company Ltd.

oil
CHEMICAL PLANTS — REFINERIES — PROCESS EQUIPMENT AND PIPING

The Canadian Kellogg
COMPANY LIMITED—TORONTO • EDMONTON

**Forgings**

***are our business!***

If your production depends on an assured supply of the best in top quality forgings, you should make it *your business* to find out what we can do for you!

You'll find our Thompson Products forgeshop equipped to turn out forgings in a highly diversified range from presses, upsetters and reducerolls—in quantities and on schedules to meet the most demanding production requirements.

You'll find that Thompson Products have Canada's largest induction heating facilities—for greater production speed and lower costs to you.

Thompson Products forging know-how was gained during over fifty years of pioneering in engineering, metallurgy and manufacturing.

You can put our experience and facilities to work for you. Write, wire or phone Thompson Products Ltd., St. Catharines, Ontario.

Thompson Products
THOMPSON PRODUCTS LTD. • ST. CATHARINES, ONT.

# CAREERS

*This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer*

### MECHANICAL SALES ENGINEER WANTED

by Canadian Manufacturer to sell established line of Power Transmission, Conveying and Elevating Equipment to Paper Mills, Mines and other large industries in Quebec and the Maritime Provinces. Permanent position with potential earnings in excess of $7,500.00 plus expenses. Age: between 35 and 45. Send full details of past experience together with recent photograph, if possible; all answers will be kept confidential. This is in addition to our existing staff who are aware of this vacancy.

BOX 127, THE FINANCIAL POST, TORONTO

### SALES ENGINEERS

**SALES ENGINEERS graduates in chemical, electrical, mechanical mining or metallurgical engineering — between the ages of 25 and 35, with at least 3 years industrial selling experience — required by well-known Montreal manufacturing firm with branches from coast-to-coast selling a wide range of mechanical equipment to the chemical, oil and gas, mining, marine, power, pulp and paper, metal and other industries in Canada. Reply in confidence giving a complete resume of your qualifications and experience. All replies will be held in strict confidence and should be addressed to**

BOX 121, THE FINANCIAL POST, TORONTO.

### WANTED: SECRETARY TO CHIEF EXECUTIVE

of large Insurance Corporation, Montreal. Age bracket 33-40. General Secretarial experience essential. Excellent working conditions; five day week; pension plan. Reply by letter only, stating age, salary expected, and giving references.

BOX NO. 130, THE FINANCIAL POST, TORONTO

## Credit Manager Trainee

An expanding retail organization requires the services of three young men to train for senior positions in credit work.

Applicants should have a good education and preferably two or three years' experience in merchandise credit on the consumer finance field.

This is an outstanding opportunity for an alert ambitious young man who is looking for a career in the credit field.

**Apply to Box No. 133,**
The Financial Post, Toronto
*giving detailed personal history.*

# OPPORTUNITIES

### BUSINESS INVESTMENT WANTED

Advertiser has $25,000-$500,000 available for purchase of at least 50 per cent interest in well-established business with good record and development possibilities. Preferably in Montreal or Quebec City area, with provision for continuation of present management. Replies treated in confidence.

BOX 136, THE FINANCIAL POST, TORONTO

### WESTERN REPRESENTATION

Established firm (Manufacturers' Representative) offers representation in Oil, Chemical and Agricultural Industries in Western Canada. Detailed references and particulars on request.

BOX 132, THE FINANCIAL POST, TORONTO.

### WANTED

Interested parties to take over fully equipped electronic plant — 6,600 sq. ft. Will sell complete or consider merger. Excellent location near Lake Ontario in greater Toronto area. Good lease.

Box 134,
The Financial Post, Toronto

### MANUFACTURERS REPRESENTATIVE

Long established with successful record of sales and promotion of diversified products. Reputable and aggressive and industrious desires to sell and promote new lines.

Box 139, The Financial Post, Toronto

### FINANCE COMPANIES

If YOU want to start, manage, buy, sell or invest in a finance, loan or discount Company OR if you know of any existing opportunity in this industry, write in confidence to Edward L. Dixon and Associates, 70 Hillcrest, St. Catharines, Ontario.

### WANTED TO BUY — A BUSINESS INTEREST

Financially sound, experienced businessman with successful record wishes to purchase outright (or controlling interest in) a small drug or patent medicine manufacturing or distributing business. Particularly interested in proposition where owner wishes to retire, or where additional capital and management are needed for further expansion. Reply in confidence giving general particulars to

BOX 140, THE FINANCIAL POST, TORONTO

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SPECIALISTS IN THE FINDING OF EXECUTIVES AND SALESMEN FOR INDUSTRY

*We never accept a fee from an individual*

330 BAY ST., TORONTO
PHONE: EM. 6-1068

EXECUTIVE SELECTION CONSULTANTS

### AUTOMOTIVE SALES EXECUTIVE REQUIRED

An immediate opening for qualified senior sales executive — Must have a record of successful achievement in the automotive industry at factory-dealer level. If you are thoroughly qualified — know the Canadian automobile market and trends — then reply by letter only, outlining your experience to

**General Sales Manager,**
**Nash Motors of Canada Limited,**
**2951 Danforth Avenue,**
**Toronto 13, Ontario.**

## Advertising & Sales Executive

with unusual qualifications interested in new connection. Experienced in all phases of advertising, promotion and marketing. Have successfully managed major agency branch in Toronto for several years. Outstanding record in producing new business, agency organization and administration. Many years all-round agency executive experience with background of very successful sales experience in sales promotion field.

Interested in senior executive position with agency or marketing organization where ability and experience would be utilized to the full.

Excellent connections in top executive circles in both Canada and the United States. Middle forties. Available around February 15th.

REPLY TO BOX 138, THE FINANCIAL POST, TORONTO

### REAL ESTATE SALESMEN

For Our
INDUSTRIAL and COMMERCIAL DEPT.

Owing to our greatly expanded industrial and commercial sales, we require two salesmen experienced in this field. Excellent working conditions, fullest support and generous bonus plans.

*Call Bill Drummond — WAlnut 4-6607*
**A. W. FARLINGER REAL ESTATE LIMITED**
752a Yonge St., Toronto

### THE UNIVERSITY OF ALBERTA

invites applications for two vacancies in Economics, effective September 1, 1955, with ranks of Lecturer and Assistant Professor and total salary ranges from $3,700 to $5,500, depending on qualifications and experience.

Applications should include a detached curriculum vitae; transcripts of academic record; a statement of positions held, publications, fields of special interest, the names of two references, and a recent photograph or snapshot. This material should reach the undersigned before April 1st, 1955.

Walter H. Johns,
Dean, Faculty of Arts and Science,
University of Alberta,
Edmonton, Alberta, Canada.

### CLASSIFIED ADVERTISING RATES

Flat rate, per word .................. .12c
Minimum charge .................. $3.00

Each initial, figure or fraction, abbreviation and sign counts as one word; if a box number is desired, the words "Box 100 The Financial Post, Toronto," count as six words. When replies are mailed to advertiser, 15 cents extra is charged. Closing date—Copy must be in Toronto office by Tuesday a.m. Classified advertising is strictly cash in advance.

### POSITIONS WANTED

**JUNIOR EXECUTIVE**

**C.A. DEGREE**, excellent business background, including sales experience, desires position with possibilities of advancement, to utilize these qualifications. Age 28, married. Box 73, The Financial Post, Toronto.

**I LOVE MARKETING . . .**

and enjoy studying it, although my experience has concentrated on advertising, selling and mostly sales promotion. I am creative minded with considerable training, but have strong administrative leanings. I must leave my company because I cannot go further. I am Sales Promotion Manager for a leading national organization, with a staff. I am 27, single, education is constant and will trade my home town for good opportunity anywhere. May I send you a comprehensive brief? P.O. Box 111, Montreal.

**RETIRED EXECUTIVE**, 67, good physically—part or full time employment. Can take charge of office, handle correspondence, secretarial work, outside supervision—no selling—no objection to travelling. Salary secondary consideration. Box 137, The Financial Post, Toronto.

**ADDITIONAL LINES WANTED**

**AGGRESSIVE** bi-lingual sales organization calling on Federal, Provincial and Municipal Governments; pulp and paper mills and woodlands divisions; general contractors and sub-contractors; mines; mills; foundries; machine shops, and most other industries. Quebec City office handles that part of Province situated East of Three Rivers with balance of Province handled by Montreal Office. Will accept lines for either or both territories. We buy for our own account for resale. Have our own shop and sales room. We service products we sell. Send literature illustrating and describing your lines to: Products and Services Limited, 247 Boulevard des Capucins, Quebec, P.Q.

## CLASSIFIED ADVERTISEMENTS

### Business Opportunities

**FOR RENT**

**MONTREAL BRANCH SALES OFFICE** service at very low cost. Let us explain without obligation. MERCHANDISE BUREAU, 1103 Mayor Building, Montreal 2.

**PRINCE EDWARD COUNTY FISHING LODGE RESORT**

in a Fisherman's Paradise. 16 miles from Picton. 10 acres, 800 feet of shoreline. Treed and landscaped. Yacht moorings and docking facilities. 2 Boat Houses. Spacious Rustic Lodge. 8 Bedrooms, 3 complete Baths. Also owner's residence, 2 bedrooms & bath. 2 car garage. Seaplane landing on Bay. Magnificent view. Safe Bathing area. Completely furnished. All utilities and conveniences. Ideal for executive retreat, or groups. Has wonderful resort or estate possibilities. Owners retiring. Priced for quick sale. For appointment and complete details write

J. D. MacKENZIE, REALTOR
173 Church Street
BELLEVILLE — ONTARIO

**WANTED: BUSINESS APPOINTMENTS IN LONDON**, Paris, Berlin, Rome, Stockholm and nearby. I have over twenty years experience in sales and collections. Going to Europe in mid-summer; time for business engagements. Post Office Box 405, Kingston, Ontario.

### FOR SALE

**COUNTRY FARM ESTATE**

**BAY OF QUINTE** area, East of Picton near large centres. Impressive traditional Colonial home completely modernized, in beautifully landscaped and lawned area. 400 acres, 40 acres wooded. Two large well-tended apple and cherry orchards, large Chicken Range and Pasture area. Over 3,000 feet of choice shoreline, new 66' Boathouse, concrete dock and slip, sheltered area for watercraft and seaplane landing. Estate contains modern Guest Home, 3 new large Bungalows, 2 Farm Homes. Buildings include 2 new fully equipped modern Chicken Houses, two large Barns, Milk House, Piggery, Machine Shed and 2-Car Garage. Completely stocked and equipped with modern machinery. Has excellent commercial possibilities. Efficient staff may be retained. Price asked $130,000.00. For photos and Property Brief write to Box 113, The Financial Post, Toronto.

## Return to Gold Standard? So Courtland Elliott Suggests

In an address to the Toronto Board of Trade as retiring president, Courtland Elliott, economist and investment adviser, put forth interesting reasons for recommending a return to the gold standard.

The present premium of 3½% on the Canadian dollar is looked on by Mr. Elliott as a "maladjustment" which would vanish with a return to the gold standard.

Two chief reasons were put forward by Mr. Elliott for his proposal:

(a) The premium on the Canadian dollar puts a 3½% penalty on those selling abroad and bonuses those buying abroad by the same amount.

(b) All those engaged in foreign transactions are obliged to speculate on the fluctuations in the foreign exchange rate of the Canadian dollar.

Because the dollar is at a premium, Mr. Elliott saw no particular risk in returning to the gold standard at this time.

## Argonaut Clinches U.S. Ore Contract

**From Our Own Correspondent**

VANCOUVER — A. F. Geuger, resident manager of Argonaut Mining Company, Campbell River, announces the sale of 200,000 tons of iron ore from the company's Quinsam operation. The contract, running from April to December, was negotiated with unnamed San Francisco interests.

---

### DISPLAY ADVERTISING RATES

$7.70 per col. inch per insertion. (55 cents per agate line, 14 lines constitute one inch). Closing date—Copy must be in Toronto Office by Tuesday a.m. Display advertising in this section payable in advance.

### DO YOU NEED WORKING CAPITAL?

If so, we can sell your properties for cash and you may

**Lease Them Back**

ON FAVOURABLE TERMS
*For full details contact*
**E. W. GLADSTONE**
REALTOR
Member Toronto Real Estate Board
**456 Spadina Ave., WA. 2-3154**

### INDUSTRIAL SITES

Available For Immediate Building

RAILWAY SIDINGS
ROADS
WATER
SEWERS

in
METROPOLITAN TORONTO
and
LONDON, ONTARIO

*Detailed information on request*
Ask for Mr. Heine or Mr. Wesley

**A. E. LePAGE**
LIMITED REALTORS
320 Bay St., Toronto EM. 3-5661

### We BUILD INDUSTRIAL BUILDINGS for LONG TERM LEASE

according to individual specifications with

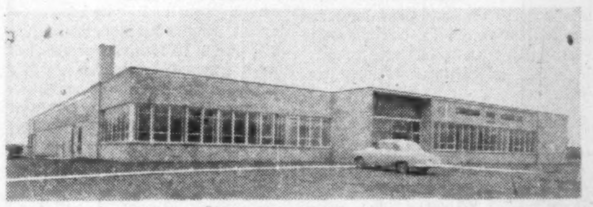
**OPTION TO PURCHASE**

Our Fully Serviced Lots, on Highway, with Railroad Siding are in the

**REXDALE INDUSTRIAL DISTRICT**

*For further information call:* **COFINCO (CANADA) LIMITED**
67 Yonge St., Toronto, Ont.
Phone: EM. 8-6284

### INDUSTRIAL CONSTRUCTION RIGHT FROM START TO FINISH



Project #166, Canadian Fine Colors Ltd.

- SITE SELECTED for Economical Plant Construction
- DESIGNED by Professional Architects and Engineers
- RAPIDLY CONSTRUCTED
- FINANCING Arranged By Lease or Contract

**FINLEY W. McLACHLAN LTD.**
195 FAIRBANK AVE. RE. 1138 TORONTO

### FOR SALE

**RAMBLING RANCH STYLE CUT STONE BEAUTY**

$79,900.00 Located in Islington, on approximately ¾ acre (160' frontage) beautiful new home, 5 oversize bedrooms, 3 complete bathrooms, 1 powder room, huge recreation room, built-in bar, 36" television, etc. So many extras are included it is impossible to list them all here. Must be seen to be appreciated. Ideal for top flight executive requiring exceptional entertainment facilities. Private listing — no agents.

BOX 131, THE FINANCIAL POST, TORONTO

## CNR Tries Walkie-Talkie On Montreal-Vancouver Run

MONTREAL (Staff) — In a drive to increase speed and efficiency on its lines, the CNR has begun tests on further new equipment — radio telephone communication.

The experiment in freight train operations between Montreal and Vancouver is the first of its kind ever undertaken in North America. It permits instant communication between front and rear-end train crews, trainmen and wayside stations. And with walkie-talkie equipment, between flagmen and other members of train crews.

"Freight trains a mile and even longer are becoming commonplace," said S. F. Dingle, vice-president of operation for the system. "We want to find out if radio telephone communication can increase efficiency and speed up handling of these trains, how it can fit in with our present system of traffic control."

The tests will also reveal the satisfactory range of short wave radio telephone transmission and reception in actual freight train operations under the diversified geographical and climatic conditions across Canada. Temporary transmitting stations have been installed at Winnipeg, Edmonton, Kamloops and Vancouver.

The experiment is in co-operation with Rogers Majestic electronics. Instruments set up in a rolling laboratory measure strength and range of every signal and record all conversations.

It may result in the use of radio communication across the system. Manual signals and semaphores, which message information to crews by lights, are used at present.

### IN METROPOLITAN TORONTO

**ETOBICOKE** Township—82 acres of land with 3 road frontages, close to several large developments. Asking price $2000 per acre. Terms can be arranged.

**NORTH YORK** — East of Yonge Street — 53 acres of level land with two main road frontages, one a main artery off Highway 401. Asking price $2000 per acre. Terms can be arranged.

The above properties listed with
**J. A. Willoughby and Sons Limited**
*Realtors*

We have several others to choose from.

*For appointment contact*
**J. P. O'Rourke — HU. 1-3391**
**Evgs. Woodbridge 323**

---

# REAL ESTATE

*A Dominion-wide market place for buyers and sellers of land, residences and commercial buildings*

### FOR SALE

**MODERN OFFICE — WAREHOUSE**
**DOWNTOWN — LONDON, ONT.**

**AN OUTSTANDING INVESTMENT OPPORTUNITY**

Located in Heart of Business Area
60,000 sq. ft. — All Rented
Large Frontage on 3 Streets
2 Freight Elevators
GROSS RENTAL — over $48,000
$100,000 to $150,000 CASH DOWN

Excellent return for Investor. Purchaser can arrange complete freedom from Rental, Maintenance, Management responsibilities.

PLEASE CONTACT — C. ARNOLD SECORD

**THE CANADA TRUST COMPANY**
*Real Estate Broker*
Phone 4-4501 London, Ontario

### INDUSTRIAL BUILDINGS

DESIGNED, ENGINEERED, CONSTRUCTED AND FINANCED TO YOUR NEEDS

**FOR SALE OR LEASE**

Preliminary plans, architectural and engineering recommendations, and proposals on a Sale or Lease basis are yours without obligation.

**Write for our new Brochure** which contains information about available sites in the Toronto Metropolitan area, and more information about the type of service we have to offer.

A COMPLETE SERVICE
- SITE SELECTION
- PRELIMINARY PLANS
- ARCHITECTURAL AND ENGINEERING SERVICES
- CONSTRUCTION
- BUILT FOR SALE OR LEASE

**INDUSTRIAL LEASEHOLDS**
OF TORONTO
33 BLOOR ST. EAST, TORONTO PHONE WA. 4-6641

In addition to the above services we have numerous Industrial buildings erected to the stage where they can be completed in 4 to 6 weeks, and thus provide space on very short notice for those who require it.

AVAILABLE NOW—8,000 sq. ft. for Sale or Lease in our Industry Street Sub-division. Short or long term lease and will sub-divide. Also available: 13,000 sq. ft. near O'Connor and Eglinton, 10,000 sq. ft. near Caledonia and Eglinton and 20,000 sq. ft. near O'Connor and Northline.

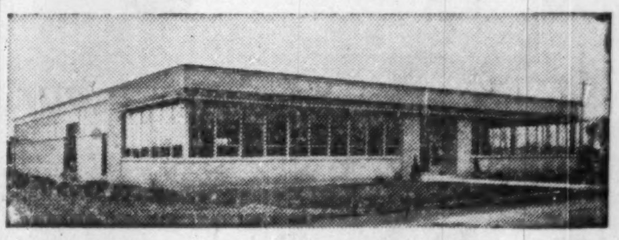
### TORONTO WATERFRONT FOR LEASE

New, modern building — 34,000 sq. ft. on 1½ acres of land. 20,000 ft. with 21 ft. ceiling height. Ultra modern offices, fireproof construction, radiant heating, two street frontages, railway siding and parking for 125 cars. Call or write W. J. Drummond

*Exclusive Agent*
**A. W. FARLINGER REAL ESTATE LTD.**
752a Yonge St., Toronto 5, Ont. WAlnut 4-6607

### FACTORIES FOR RENT

ONLY 40 MINUTES FROM DOWNTOWN TORONTO



- We can offer for immediate occupation 6,000, 12,000, 18,000 and 24,000 sq. ft. factory units. NEW, MODERN SINGLE STORY BRICK buildings. All services and facilities available; good transportation, ample land for expansion.

**SLOUGH ESTATES (CANADA) LIMITED**
ROYAL BANK BLDG.
TORONTO 1 EM. 3-9033

FOR SALE OR FOR RENT

*Industrial & Commercial buildings by specialists.*

Commercial Leaseholds Limited offer a complete service on all details from original property survey to completed structure, including financing assistance. Complete project under one control by specialists in industrial design, engineering and construction. Quality construction, low costs, rapid completion, guaranteed.

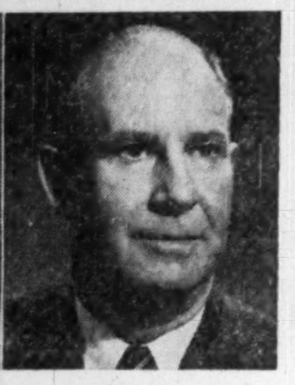
*Complete information, without obligation.*
*WRITE TODAY.*

**COMMERCIAL LEASEHOLDS LIMITED**
HEAD OFFICE HAMILTON, CANADA

ANNOUNCEMENT

## EDWARDS OF CANADA ELECT EXECUTIVES

R. STAFFORD EDWARDS


ROBERT H. ANDREWS

Following a recent meeting of the Board of Directors of Edwards of Canada Limited, Owen Sound, Ontario, the following executive appointments were announced. Mr. R. Stafford Edwards was elected Chairman of the Board and Mr. Robert H. Andrews was elected President.

Mr. Edwards is also the President of the American Company — Edwards Company, Incorporated of Norwalk, Conn. — and a former President of the National Electrical Manufacturers Association.

Mr. Andrews is a Past President of the Canadian Electrical Manufacturers Association.

The Company manufactures a complete line of fire alarm and signaling systems for industrial, institutional and residential buildings.

We are pleased to announce that the undersigned company has been formed as the successor to the general investment business formerly conducted by JOHN KORMENDI COMPANY, established in 1936.

JOHN KORMENDI
EDWARD S. MAGOWAN
CLIFFORD R. WALKER

are the Directors of the newly formed company.

KORMENDI & CO., INC.
60 Broad Street, New York 4, N. Y.
*Telephone:* DIgby 4-6765

February 1, 1955

## Beaucoeur To Drill Columbium Area

A program of diamond drilling is planned by Beaucoeur Yellowknife Mines on its 18-claim property in Lackner twp., near the property of Multi Minerals to follow up favorable results indicated by a magnetometer survey.

The magnetometer survey completed by Simard & Knight indicated several anomalies and a complete interpretation of results is planned to assist in spotting diamond drill holes which will be the next step in exploration.

The company also holds eight claims in the Bancroft area.

Ample funds are reported in the company's treasury for carrying out the proposed program.

$80,000,000

Hospitals — large and small — have raised more than $80,000,000* for construction and for their other needs.

These hospitals profited through an opinion-and-resources survey . . . a kind of insurance . . . that shows if the money will be available during a campaign.

Your hospital, too, may profit by a G. A. Brakeley & Co. Ltd. survey. It blueprints for you the fund-raising case, the fields of support, other essentials.

Write us today about your fund-raising problem, or simply ask for a copy of our news-letter — PR-aids for Hospitals.

** Covers hospital campaigns counseled by G. A. Brakeley & Co. Ltd. We serve other philanthropic enterprises, too!*

G. A. BRAKELEY & CO. LTD.
*formerly*
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627 Dorchester St. West
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159 Bay Street
Toronto 1, Ont.

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*Investment Dealers*
507 Place d'Armes
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OTTAWA QUEBEC SHERBROOKE TORONTO

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OTTAWA QUEBEC SHERBROOKE TORONTO

# *Trend of Business*

**Dividend payments** running at highest level in history in January, according to Nesbitt, Thomson index. Increase is 5% over the beginning of 1954. This index is designed to show payments as an annual rate, minimizing month-to-month fluctuations. It covers industrial, mining, commercial, utility and banking companies.

**Largest export surplus** in three years in December, preliminary estimates show. Result of highest exports in 18 months, and imports for month that were a little below a year earlier. December export increase over year earlier followed smaller rise in November. But exports were lower for all other months of the year, so 12-month period is 5.5% below 1953. Imports for whole year are down about 7%.

**Our exports to our biggest market,** the U. S., were down 4% in 1954 from 1953. Exports to U. K. down 1%; to other Commonwealth countries, 16%; to foreign countries other than U. S., $10%.

**Our imports from Commonwealth countries** other than the U. K. and foreign countries other than the U. S. rose by 7% and 3%, respectively, in 1954. Imports from U. S. fell 8%; from U. K., 13%.

**Department store sales** were 14% ahead of year earlier in week ended Jan. 22. All regions showed increases, as in preceding week. Increases were; B. C., 25%: Manitoba 22%; Atlantic provinces, 19%; Ontario, 11%; Alberta, 9%; Quebec, 7%; Saskatchewan, 6%.

**Bank loans outstanding** in mid-January estimated a shade below same time last year. Reflects decreases in most classes of loans, though there are increases in loans to provincial and municipal governments.

**Coal production** dropped again in 1954, by 7% compared with year before. Imports dropped even more, by 13%. Nova Scotia production increased 7%, although some mines closed there. Alberta output was down 18%.

**Chain food stores** net profits in 1953 averaged 3.23% of net sales, before income tax, recent study shows. Compares with 3.15% two years earlier.

**Wood pulp production** in December was 3% higher than last year.

**Nonresidential building material prices** have fallen an average of 2.6% during the latest 12-month period. Residential building materials are up about 0.2% in a similar comparison.

## *Major Weekly Indicators*

| | LATEST WEEK | Week Ago | Month Ago | Year Ago |
|---|---|---|---|---|
| Department store sales (% ch. from year earlier) | +14% | +7.3% | —5% | —5% |
| Carloading, totals (cars) | 58,759† | 84,956* | 74,950 | 51,088 |
| Eastern Canada (cars) | 35,926† | 54,020* | 46,836 | 32,908 |
| Western Canada (cars) | 22,833† | 30,936* | 28,114 | 18,173 |
| Iron & Steel (m'fd) (cars) | 756† | 1,211* | 990 | 942 |
| Ores, concentrates (cars) | 2,347† | 3,353* | 2,725 | 1,866 |
| Base metals (cars) | 564† | 1,537* | 658 | 444 |
| Lumber, timber, plywood (cars) | 2,579† | 3,957* | 3,678 | 1,693 |
| Cement (cars) | 364† | 361* | 563 | 436 |
| Passenger car prod. (no.) | 6,568 | 5,874 | 5,214 | .... |
| Truck production (no.) | 607 | 598 | 734 | .... |
| Bus. failures 4-wk. moving av. (no.) | 33.3 | 31 | 29 | 22.5 |
| Chartered banks | | | | |
| Personal savings ($ millions) | 5,253 | 5,238 | 5,170 | 4,781 |
| Loans outstanding ($ millions) | 4,031 | 4,051 | 4,144 | 4,086 |
| NHA mtge. holdings ($ millions) | 83 | 79 | 67 | .... |
| Bank of Canada holdings of securities ($ millions) | 2,164 | 2,266 | 2,243 | 3,232 |
| Short term govern. ($ millions) | 1,271 | 1,343 | 1,370 | 1,328 |
| Long term govern. ($ millions) | 880 | 911 | 861 | 881 |
| Other securities ($ millions) | 12 | 12 | 12 | 23 |
| Canadian dollar (U.S. cents aver.) | 103.493 | 103.546 | 103.399 | 102.987 |
| T.S.E. industrial index | 381.79 | 376.96 | 383.81 | 323.28 |
| Yield, 114 stocks | 4.55% | 4.55% | 4.51% | 5.51% |
| Dom. bond yield index ('35=100) | 99.3 | 99.6 | 99.3 | 114.2 |
| Bank clearings | | | | |
| Montreal ($ millions) | 490 | 567 | 482 | 383 |
| Toronto ($ millions) | 621 | 668 | 580 | 477 |

*Ten-day month-end period.
†Last issue's data, latest available.

## *Facts by the Month*

| WHAT WE PRODUCE— | LATEST MONTH AVAILABLE | One Month Previous | Two Months Previous | One Year Previous |
|---|---|---|---|---|
| •In all industries (Index) | 254.9 | 256.4 | 253.9 | 250.6 |
| •In factories (Index) | 258.8 | 258.5 | 256.8 | 194.1 |
| •Total nondurable goods (Index) | 232.2 | 234.5 | 234.7 | 230.7 |
| •Food and bev. (Index) | 244.6 | 246.2 | 256.0 | 243.8 |
| •Textiles (Index) | 169.0 | .... | 180.0 | 170.6 |
| •Clothing (Index) | 149.7 | 151.4 | 149.4 | 156.4 |
| •Chemical products (Index) | 281.1 | 285.3 | 282.8 | 285.2 |
| •Total durable goods (Index) | 225.1 | 296.1 | 291.3 | 315.5 |
| •Iron & steel products (Index) | 248.4 | 250.7 | 250.4 | 290.1 |
| •Primary iron & steel (Index) | 263.3 | 241.0 | 223.8 | 326.4 |
| •From mines (Index) | 227.5 | 248.7 | 244.8 | 194.1 |
| •Metals (Index) | 132.5 | 132.1 | 131.3 | 104.1 |
| •Nonferrous smelting refining (Index) | 250.4 | 250.7 | 244.6 | 225.8 |
| •Gold (Index) | 111.3 | 106.0 | 108.0 | 79.0 |
| —From farms | | | | |
| Hogs graded (000) | 508 | 431 | 314 | 444 |
| Cattle delivered (000) | 208 | 185 | 149 | 194 |
| Flour (Index) | 154.3 | 158.3 | 157.9 | 158.8 |
| —From sea | | | | |
| E. Coast catch ($000) | 4,723 | 6,129 | 8,628 | 3,643 |
| W. Coast catch ($000) | 6,625 | 7,695 | 5,832 | 4,069 |
| —From forests | | | | |
| Newsprint (000 tons) | 500 | 522 | 526 | 473 |
| •Pulp (000 tons) | 779 | 837 | 821 | 757 |
| —In powerhouses | | | | |
| Electricity (Index) (seasonally adjusted) | 267.9 | 268.3 | 261.8 | 235.2 |
| WHAT WE SELL— | | | | |
| Retail sales ($ millions) | 1,006 | 988 | 978 | 1,068 |
| Dept. store sales ($ millions) | 153 | 119 | 97 | 142 |
| Wholesale sales (value) (Index) | 385.3 | 388.8 | 401.8 | 361.7 |
| Mfrs. outstdg. orders (value) (Index) | 74.7 | 75.8 | 79.2 | 78.4 |
| Pass. car sales (units) | 16,269 | 15,946 | 23,180 | 21,236 |
| WHAT'S ON HAND— | | | | |
| Mfrs. inventories (value) (Index) | 98.1 | 98.3 | 98.7 | 103.2 |
| Dept. store stock sales ratio | 2.5 | 2.7 | 3.0 | 2.4 |
| SPENDING, SAVING POWER— | | | | |
| Labor income ($ millions) | 1,036 | 1,030 | 1,014 | 1,012 |
| •Dividend payments (Index) (annual rate) | 255.5 | 254.6 | 252.8 | 243.1 |
| JOBS— | | | | |
| •Employment (Index) | 112.6 | 113.0 | 113.3 | 114.1 |
| •Mfg. employment (Index) | 105.5 | 106.3 | 108.3 | 110.9 |
| CONSTRUCTION— | | | | |
| Contract awards ($ millions) | 197 | 214 | 181 | 128 |
| FOREIGN TRADE— | | | | |
| Exports ($ millions) | 395 | 362 | 369 | 361 |
| Imports ($ millions) | 337 | 373 | 332 | 338 |
| MONEY— | | | | |
| •Money supply ($ millions) | 5,300 | 5,386 | 5,331 | 5,024 |
| Cheques cashed ($ millions) | 13,626 | 13,891 | 11,363 | 12,997 |
| Notice deposits ($ millions) | 5,532 | 5,637 | 5,585 | 5,068 |
| Current public loans ($ millions) | 3,823 | 3,739 | 3,750 | 3,857 |
| Life insurance sales ($ millions) | 207 | 191 | 197 | 225 |
| PRICES— | | | | |
| Consumer price (Index) | 116.6 | 116.8 | 116.8 | 115.8 |

Index bases: production wholesale sales 1935-39=100; employment, payrolls, 1949=100; consumer price index, 1949=100; manufacturers' inventories, outstanding orders, Dec., 1952=100.

**STRATEGIC MATERIALS—Production and Supply—**

| | Latest Month | Month yr. ago | Yr. to date | % chge. yr. to date |
|---|---|---|---|---|
| Steel ingots and castings (000 tons) | 287 | 333 | 2,919 | —23 |
| •Primary copper (000 tons) | 26.2 | 17.3 | 275 | +17 |
| •Nickel (000 tons) | 13.2 | 12.8 | 144 | +9 |
| •Cement (000 bbls.) | 1,935 | 1,959 | 20,929 | +1 |
| Lumber (millions fbm) | 541 | 467 | 5,984 | —4 |
| Lumber exports (millions fbm) | 364 | 315 | 3,307 | +16 |

•New items this week.

**Date of issue for your file, The Financial Post, February 5, 1955.**

## *B.C. Buys Lions Gate Bridge, Studies Another or Tunnel*

**From Our Own Correspondent**

VANCOUVER — British Columbia Government has purchased Vancouver's famed Lions Gate Bridge spanning the harbor entrance for $5,959,060 and has launched a survey which will determine if another bridge or a tunnel can best handle the traffic from Vancouver to North and West Vancouver.

The sale was finalized by Premier W. A. C. Bennett and P. D. Willoughby, general manager of the First Narrows Bridge Co., a subsidiary of the giant Guinness malting empire of England.

The bridge was recently appraised at $10,000,000 replacement cost. Sale price to the Government was less than $6 millions construction cost in 1938.

Premier Bennett said that the Government would continue to charge tolls at the existing rate.

The premier said that the decision as to whether another bridge would be constructed parallel to the Lions Gate Bridge, or whether a huge tunnel would be advisable, rested with engineers now making a survey.

It has been estimated that it would cost $17 millions to erect another bridge at the harbor mouth and several millions more to build a tunnel.

The premier said that jurisdiction for the Lions Gate Bridge would be transferred to the B. C. Toll Highways & Bridges authority which was set up by the Social Credit Government and has an extensive bridge-building program under way.

## *Canada Label Helps Fight Foundation Garment Imports*

"Buy Canadian" will be an important slogan in the 1955 spring sales of foundation garments. Alone among textiles, after April 1, every foundation garment on sale in Canada will be carrying the name of its country of origin.

It is a situation which the $22 million — and still growing — Canadian industry welcomes. They have fought for it for a long time. Here's the position:

—After April 1, by Order-in-Council of the Federal Government, all imported foundations must be stamped with their country of origin.

—Members of the Foundation Garment Institute of Canada—trade association of the home industry—will carry a "Made in Canada" label on their goods.

President Fred J. Bryan told the Institute's annual meeting at St. Adele, Que.: "We are proud of our products and their consumer acceptance. We feel the consumer is entitled to know where the foundation garments that she purchases have been manufactured."

The Institute worked with the Customs Department during the past year to help determine fair market value on imports. Through co-operation of its members, the Institute called attention to many questionable items and appropriate action was taken.

The year 1954 was another big one for the industry. Factory shipments are believed to have surpassed the 1953 record total of $22,028,653, which, in turn, was 11% above 1952. Imports in 1953 were valued at $1,320,398.

Competition is expected to be keener than ever this year. New companies have come in, among them Formfit, Chicago and Maidenform, New York.

Formfit has just opened a factory in Toronto, has already built up a Canadian sales staff under James T. Moyse, Toronto.

Maidenform, shipping meantime from a Toronto warehouse while manufacturing in the U. S. and famous for its series of "dream" ads, launched into Canada with "I dreamed I came to Canada" splash. It has appointed two salesmen in Quebec area, is augmenting Canadian staff.

Manufacturers expect 1955 to be an active year. The new Dior silhouette requires new types of foundation garments. Both ready-to-wear and foundation retailers will be stressing co-ordination.

ENTERTAINMENT AND MUSIC

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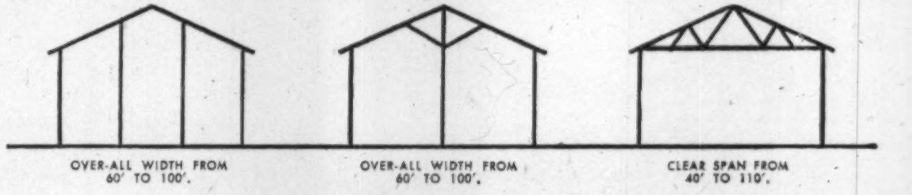
DOMEX PRECISION STANDARDIZED STRUCTURES LEAD THE WAY IN REDUCING NEW BUILDING COSTS!

At left is shown an interior photograph of the new factory built by Domex for Fiberglas Canada Limited. This 700 ft. x 100 ft. single column structure is another example of the Domex Precision Standardized structure which gives you more, yet costs you less. "One contractor all the way through" means saving time and money. For any requirements Domex is your answer.


OVER-ALL WIDTH FROM 60' TO 100'.
OVER-ALL WIDTH FROM 60' TO 100'.
CLEAR SPAN FROM 40' TO 110'.

A few of our many satisfied customers are: Celanese Corporation of America, Maple Leaf Milling Company, The Bethlehem Steel Corporation, Fiberglas Canada Ltd., International Harvester Company of Canada, Steel Company of Canada Ltd., Royal Canadian Navy and the Canadian Army. For a copy of our free brochure that supplies complete, Specific Information,

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1323 BAY STREET, TORONTO • WA. 4-8418

"You can rely on Star advertising to capitalize on a strong merchandising policy"

Samuel Kalles
Samuel Kalles & Son Ltd.

KALLES CLOTHES

"Our policy is to offer men of Toronto and district the best possible custom tailored clothes. To this end we search the British Isles for the finest woollens, the most desirable and distinctive patterns and colours. Every garment we make is custom tailored by hand — and to make certain that our standard of tailoring perfection is maintained, every garment is made in our own workrooms, right on the premises.

"A strong merchandising appeal plus Toronto Daily Star advertising is our time-proven formula of success. Through the Star we have been able to tell more people about the high quality of our men's wear than we could have done any other way. That's why our Star advertising has been greater for the first six months of 1954 than for all of 1952 or 1953!"

Samuel Kalles
Samuel Kalles & Son Ltd.

Whether you are a manufacturer, distributor, or retailer selling rugs or radios, cars, coal, cake or clothing . . . for cash, credit or charge . . . your ads in the Toronto Daily Star will reach more people at less cost . . . make the most sales per advertising dollar. And isn't that just what you want your advertising to do?

*Successful businessmen know that the Toronto Daily Star is first choice for selling in Toronto . . . Canada's richest market.*

TORONTO DAILY STAR
80 King Street West, Toronto

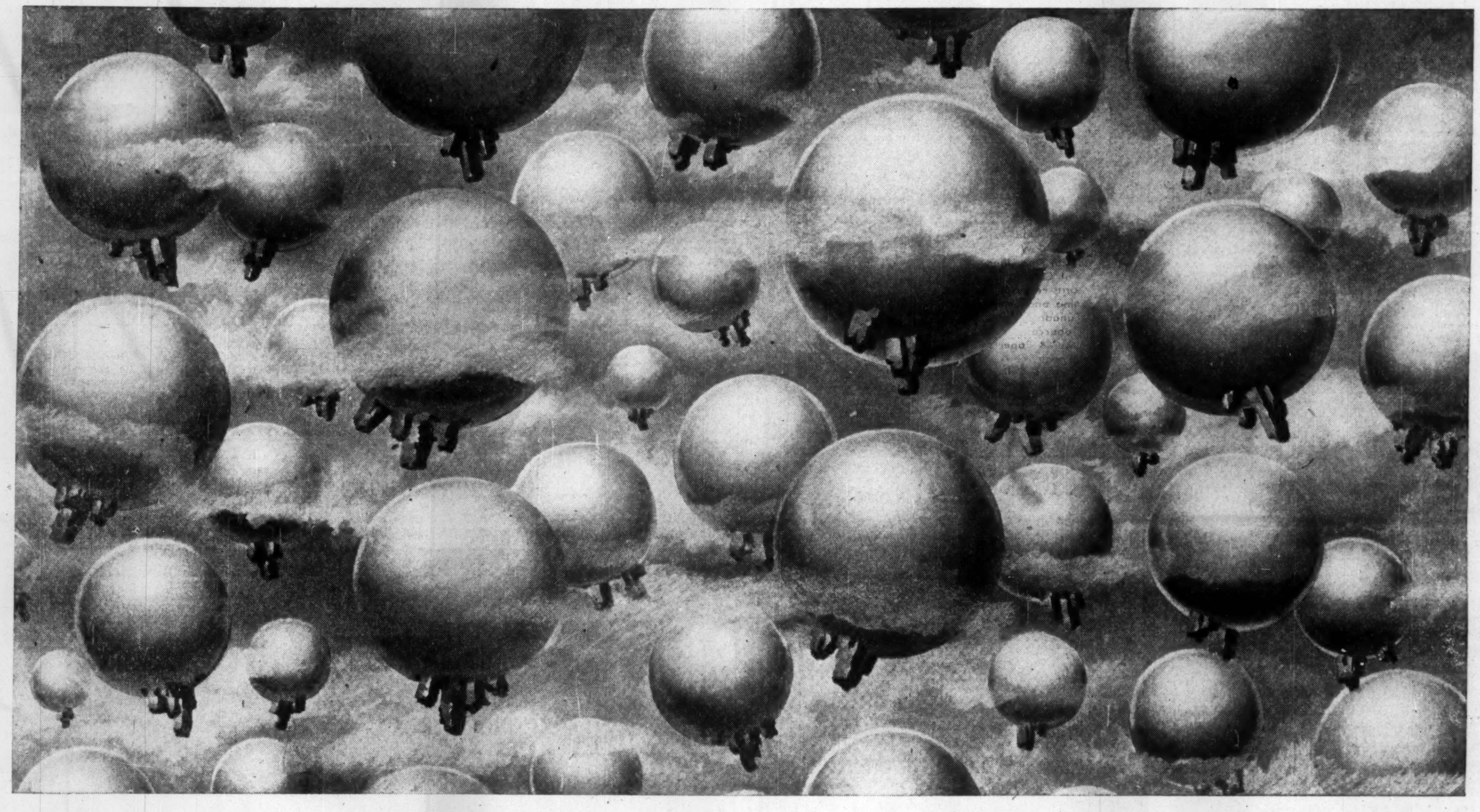
Montreal: University Tower Building • United States: Ward Griffith Co. Inc.

S-344

*Ask your Advertising Agency or call us for details of territorial coverage, rates, and distribution breakdown.*

# DOW OF CANADA

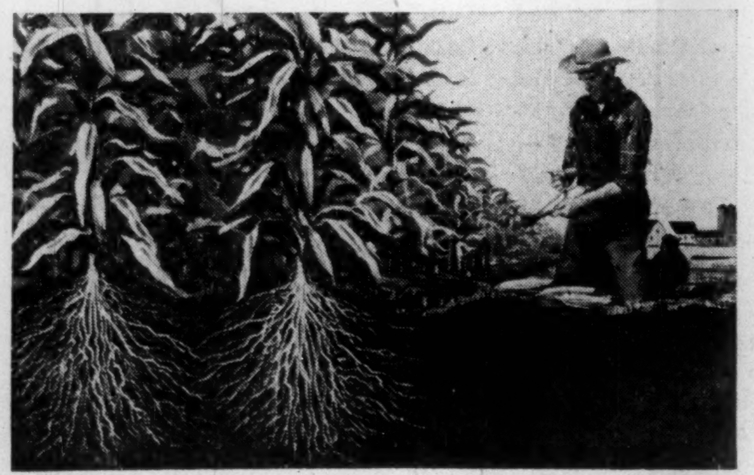
## CHEMICALS BASIC TO CANADIAN LIVING



## "BUBBLE" Bath for Recovering Minerals

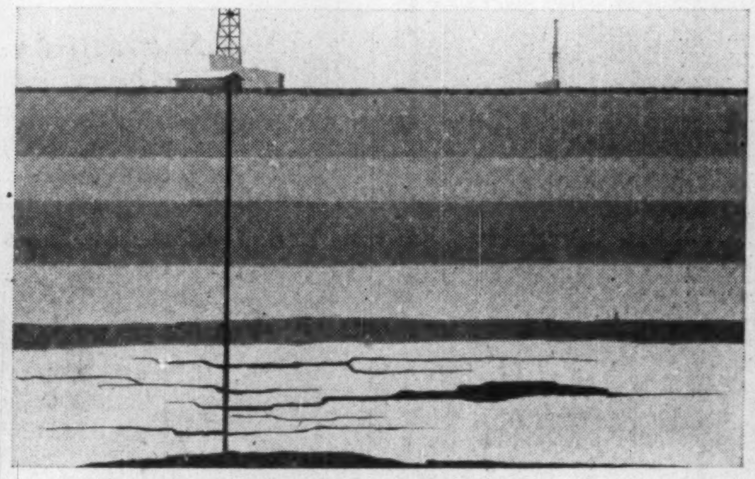
Dow Xanthates are remarkable chemicals that aid the mining industry in recovering tons of gold, silver, copper, lead, zinc and nickle each year by the flotation process. Xanthates enable valuable mineral particles to cling to rising air bubbles, like these pictured above, leaving unwanted residue behind. Recovery and separation are fast, efficient and economical.

Dow also supplies the mining industry with Dowfroth 250, an efficient bubble builder. The intriguing flotation process is an everyday routine to many metallurgists. They find that Dow Xanthates and Dowfroth 250 make a powerful team for improving their recovering operations. These chemicals add millions to Canada's wealth yearly!



BIGGER ROOTS MEAN BIGGER CROPS

Anhydrous ammonia, a nitrogen fertilizer, helps farmers reap bigger harvests. When injected into soil, this gas quickly supplies nitrogen needed by crop roots for growth. Stimulated root growth encourages crops to grow larger. Tests show crops fertilized by anhydrous ammonia have a *higher protein content* than similar non-fertilized crops. Corn growers' formula: 2½ pounds of anhydrous ammonia (cost 25¢) bring an extra bushel of corn (market price $1.60).



FREEING THOUSANDS OF BARRELS OF OIL

Often the channels into an oil well become clogged, thus restricting the flow of oil. To get this oil, it is necessary to open a route. Dow hydrochloric acid answers this problem by spreading into dense underground rock formations, dissolving limestone as it goes. The hydrochloric acid's dissolving action leaves easy paths through which the oil will flow or be pumped to the earth's surface, adding thousands of barrels of oil each day to Canadian refineries.

STARTING POINT FOR BETTER SOAPS

Caustic soda, of extra high purity when made by the Dow mercury cell method, plays a vital role in transforming fats, oils, and greases into the smooth and soft washing, shaving, and toilet soaps used in all Canadian households today. This workhorse chemical is also used in the making of many household detergents. In addition it is an important factor in the paper industry's vital process of bleaching the fine quality paper that appears in so many of our popular books and magazines.

DOW CHEMICAL OF CANADA, LIMITED

TORONTO MONTREAL WINNIPEG SARNIA

The Financial Post

Vol. XLIX Publication Office: Toronto, February 5, 1955 No. 6

# These Are Aristocrats Of Canadian Companies

*With the tremendous growth that has taken place in Canada in recent years, Canadian companies have increased in size and in number.*

*In the process, the largest companies have been getting bigger, but on the evidence available they haven't grown as fast, relatively, as some of the smaller ones.*

*In the accompanying article, The Financial Post takes a look at the performance, over a five-year span, of the largest industrial and utility firms in which there is public investment interest. Excluded are government-owned companies, private companies and wholly owned subsidiaries of foreign firms, firms whose entire operations are outside Canada, and the banks and insurance companies.*

By NORMAN DEBOYS

A growth in total assets of 43.4%; in earnings, of 21.3%; in shareholders' equity, of 53.2%.

That, briefly, is the record of the 20 largest Canadian industrial and utility companies in the five years from 1948 to 1953.

The increases are impressive, and reflect the far-reaching nature of their participation in the country's development.

Compared with the general run of Canadian companies, however, the big companies haven't grown as much in terms of total assets as the smaller ones, if you match their results with the results of 704 companies included in a recent survey by the Bank of Canada.

The total assets of the 704-firm group grew by 49%, and because some of the firms in the top 20 are probably included in the Bank of Canada group, the smaller companies might show up still better than that.

Combined net profit of the top 20 has increased more than that of the 704 (21.3% vs. 13.7%) and shareholders' equity has risen more too (53.2% vs. 44.1%). On the other hand, the earnings of the big companies are smaller in relation to equity than in the case of the 704.

In 1948, the 704 firms earned 14.4% on their combined equity, and 11.4% in 1953. Comparable figures for the 20 firms (19 in 1948) were 11.9% and 9.8%.

Against this background, here are some of the highlights of the companies in the top 20:

Canada's top 20 companies were chosen on the basis of the size of their total assets at the end of the latest fiscal year for which figures are available, in most cases 1953.

The tables listing the companies, show a distinct pattern. In them it's possible to see something of the trends in the country's economy.

### The Top Ten

Look at the top 10 companies on the list.

Six of the 10 use or process on a large scale natural resources of the country. Two are transportation and communication firms . . . an indication of the importance of this type of service in a country of this size. Also, such firms require a large outlay of capital even to get started in business, and a continuing large outlay of capital to keep services and efficiency in line with the growth of the country.

In the five years between 1948 and 1953, CPR's total assets have increased by more than $250 millions. Bell Telephone's assets jumped by $400 millions, or over 88%. Aluminium Ltd., parent company of Aluminum Co. of Canada, is the only other firm in the group whose growth involved outlays as big as these.

Two companies in the top 10 are distillers — Distillers Corp.-Seagrams and Hiram Walker-Gooderham & Worts. Although the bulk of their sales are out of Canada and their largest plants are in the U. S., they have been included in the list because they still have important operations in Canada as well.

### Chemical Companies

One of the outstanding features in the lower half of the table is the presence of two chemical companies. One of them, Canadian Chemical & Cellulose, is so new that it wasn't even in existence five years ago, but since 1951 has grown to the extent that it now rates a place in the top 20. The chemical industry, brand new in comparison to some of the others, has been growing fast, and the plants involve large capital outlays.

In every case, the size of the total assets of the 20 companies has increased in the five-year period. Aluminium Ltd. with an increase of 119%, leads the field here, thanks mainly to its expansion in Quebec and the huge aluminum and power projects at Kitimat and Kemano in B. C.

B-A Oil, expanding rapidly, comes second, closely followed by Interprovincial Pipe Line. The latter is also a new company in terms of years, but, by the very nature of the huge investment needed to put it into operation, comes high on the list of the biggest companies assetwise. By the end of 1954, the total assets of this company are believed to have increased enough to carry it well up among the top 10 companies in the list.

### Net Profit Picture

A glance at the table showing the net profit of the 20 companies tells a somewhat different tale. Not all of the companies show an increase over the 1948 period. Four show a drop, another shows losses in both periods compared.

The drop in net profit of Consolidated Smelters can be attributed mainly to the fall in base metal prices over the last three years. The decline in farm income and the satisfaction of much of the postwar backlog of demand for agricultural machinery have made for lower earnings for Massey-Harris-Ferguson.

Canadian Chemical & Cellulose showed a drop, but the loss was reduced. The company came into operation at a time when demand for pulp, chemicals and textiles it makes had fallen off.

Abitibi's small drop reflects the fairly general drop in profit margins in the pulp and paper industry due to such things as the switch from a discount to premium on the Canadian dollar, lower pulp prices, and rising costs.

Drop in earnings of Hiram Walker has been due mainly to an increase in selling and administration costs and higher tax rates. Net sales were higher last year than five years earlier.

Biggest increase in earnings over the 1948 fiscal year has been recorded by Bell Telephone, which ties in logically with the large increase in shareholders' equity ($375 millions vs. $162 millions five years earlier) and in total assets. In 1953 alone, new construction expenditures totaled $85.7 millions. Rates have been boosted, but this was to offset rising costs which had cut earnings sharply. Company now has over two million telephones in use, virtually double the number it had five years ago.

### What Shareholders Got

The table showing the return on shareholders' equity is perhaps the most significant of all. One of the basic things it shows is that industry's operation is costing more than it did five years ago, without offsetting increases in prices received for products and services. In other words, the capital dollar is earning less than it did. Total equity of each of the 20 firms has risen since 1948, but in some cases, a considerably larger amount of money invested is bringing in a smaller net profit.

Return on equity has dropped in more cases than it has risen. And the ones that have slipped have slid a lot further than the rising ones have gone up.

Those showing increases were Bell Telephone, Imperial Oil, International Nickel, Shawinigan, Stelco, and Ford.

In the "falling" range (10 companies) were: B. C. Power, Imperial Tobacco, B.A. Oil, Abitibi, Distillers Corp.-Seagrams, Aluminium, Hiram Walker-Gooderham & Worts, Massey Harris-Ferguson, Consolidated Smelters, Interprovincial Pipe Line.

Interprovincial Pipe Line is a special case. In 1949, the company had a great deal of debt and only $4-million equity for the shareholders. Now, having converted $17 million debentures into equity capital and having plowed most of the earnings back into the business, the shareholders' equity is much larger (1,200%) and net profit has risen much less (32%). Hence the plummet in return on equity.

### U. S. Subsidiaries

There are several big companies that are not included in the list because of the nature of their ownership or their operation.

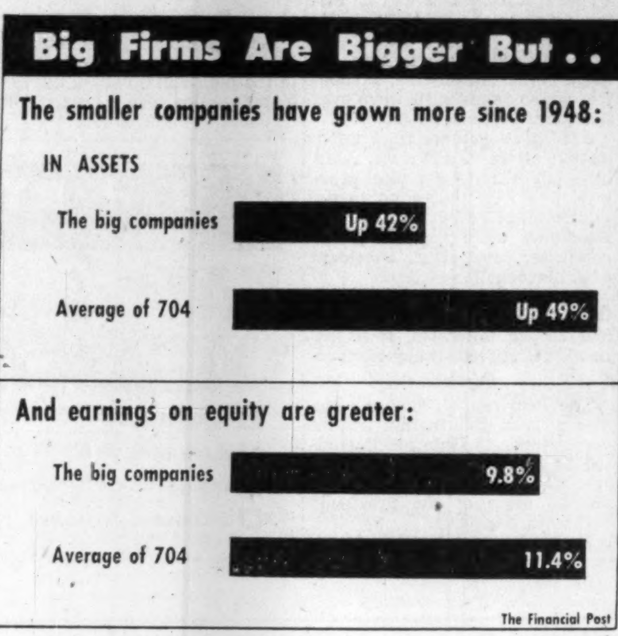
CNR is the biggest. Its total assets amount to almost $3 billions ($2,917,980,000 at Dec. 31, 1953). It is excluded in this study because it is owned by the Federal Government.

Also excluded are wholly owned subsidiaries of U. S. companies such as General Motors Corp. of Canada, whose accounts are not published. Company has spent more than $100 millions on capital improvements and additions in the last four years.

Canadian companies whose operations are entirely outside Canada are left out. These include Brazilian Traction, Light & Power Co. ($795.3 millions total assets), Mexican Light & Power ($180.8 millions), and International Petroleum ($262 millions).

Canadian-owned private companies cannot be included in the round-up, because accounts of the company are not made public. The largest in this category, undoubtedly, would be the T. Eaton Co.

Although Canadian banks and insurance companies are not included because of the special nature of their business, two accompanying tables show the biggest in each category.



***Here are the details . . .***

CANADA'S TOP TWENTY

| COMPANY | TOTAL ASSETS AT — Latest reported ($000) | 1948 fiscal year-end ($000) | % increase |
|---|---|---|---|
| 1. Canadian Pacific Rlwy. . . | 1,962,796 | 1,709,010 | 14.8 |
| 2. Bell Telephone . . . . . . . . | 842,543 | 447,397 | 88.3 |
| 3. Aluminium Ltd. . . . . . . . . | 733,480 | 334,576 | 119.2 |
| 4. Imperial Oil . . . . . . . . . . | 561,268 | 309,062† | 81.6 |
| 5. Distillers Corp.-Seagrams . | 473,907* | 356,956* | 32.8 |
| 6. International Nickel . . . . . | 429,720 | 323,295 | 32.9 |
| 7. Shawinigan Water & Power | 304,455 | 256,444 | 18.7 |
| 8. B. C. Power Corp. . . . . . . | 279,833 | 183,682 | 52.3 |
| 9. British American Oil . . . . . | 220,273 | 108,967 | 102.1 |
| 10. Hiram Walker-G.W. . . . . . | 198,240* | 163,351* | 21.4 |
| 11. Interprovincial Pipe Line . . | 195,557 | 102,802• | 90.2 |
| 12. Steel Co. of Canada . . . . | 181,693 | 104,373 | 74.1 |
| 13. Massey-Harris-Ferguson . . | 179,216 | 93,484 | 91.7 |
| 14. Cons. Mining and Smelting | 177,247 | 146,839 | 20.7 |
| 15. Ford of Canada . . . . . . . . | 164,085 | 120,366 | 36.3 |
| 16. Imperial Tobacco . . . . . . . | 157,651 | 111,456† | 41.4 |
| 17. Abitibi Power & Paper . . . | 153,557 | 137,273 | 11.9 |
| 18. Gatineau Power . . . . . . . . | 151,878 | 151,143 | 0.5 |
| 19. Cdn. Chemical & Cell. . . . | 148,630 | 82,109‡ | 81.0 |
| 20. Cdn. Industries (1954) Ltd. | 144,887 | § | . . . |

* 1949-1954. † Not consolidated. ‡ 1951; company not operating in 1948.
§ Formed July 1, 1954. Comparable figure for total assets of the section of the business acquired from the former Canadian Industries Ltd. in the split-up in July is not available.
• 1951 — first full year of operation.

NET PROFIT

| COMPANY | Latest Reported Fiscal Year ($000) | 1948 Fiscal Year ($000) | % Change |
|---|---|---|---|
| CPR . . . . . . . . . . . . . . . . . . . . . . . | 31,450 | 27,394 | +14.8 |
| Bell Telephone . . . . . . . . . . . . . . . | 26,849 | 10,577 | +153.8 |
| Aluminium Ltd. . . . . . . . . . . . . . . | 38,178 | 27,329 | +39.7 |
| Imperial Oil . . . . . . . . . . . . . . . . . | 47,985* | 22,832‡ | +110.2 |
| Distillers Corp. . . . . . . . . . . . . . . | 35,840† | 34,766† | +3.1 |
| International Nickel . . . . . . . . . . . | 53,695 | 39,108 | +37.3 |
| Shawinigan . . . . . . . . . . . . . . . . . | 5,953 | 4,251 | +40.0 |
| B. C. Power . . . . . . . . . . . . . . . . . | 4,595 | 2,603 | +76.5 |
| B.A. Oil . . . . . . . . . . . . . . . . . . . | 19,735 | 12,303 | +60.4 |
| Hiram Walker-G. & W. . . . . . . . . . | 20,252† | 23,644† | —14.3 |
| Interprovincial P.L. . . . . . . . . . . | 4,434 | 3,353§ | +32.2 |
| Stelco . . . . . . . . . . . . . . . . . . . . . | 14,257 | 7,461 | +91.1 |
| Massey-Harris-Ferguson . . . . . . . | 7,366 | 8,377 | —12.1 |
| Consolidated M. & S. . . . . . . . . . . | 20,415 | 56,713 | —64.0 |
| Ford of Canada . . . . . . . . . . . . . . | 20,030 | 7,970 | +151.3 |
| Imperial Tobacco . . . . . . . . . . . . . | 7,533 | 7,193‡ | +4.7 |
| Abitibi . . . . . . . . . . . . . . . . . . . . | 10,044 | 10,270 | —2.2 |
| Gatineau Power . . . . . . . . . . . . . . | 3,748 | 2,893 | +29.6 |
| Cdn. Chemical & Cell. . . . . . . . . . | —1,237 | —1,333§ | . . . . . . |
| CIL 54 . . . . . . . . . . . . . . . . . . . . | 8,015• | 4,945• | +62.1 |

* Figure is for 1953. Estimated 1954 earnings were $49.5 millions. † 1949-54. ‡ Not consolidated. § 1951, company not operating in 1948. • Estimated earnings of that portion of Canadian Industries Ltd. acquired by CIL 54 at July 1, 1954.

SHAREHOLDERS' EQUITY

| COMPANY | 1953 Fiscal Year-end ($000) | 1948 Fiscal Year-end ($000) |
|---|---|---|
| CPR . . . . . . . . . . . . . . . . . . . . . . . | 893,413 | 773,590 |
| Bell Telephone . . . . . . . . . . . . . . . | 374,905 | 162,417 |
| Aluminium Ltd. . . . . . . . . . . . . . . | 239,349 | 120,589 |
| Imperial Oil . . . . . . . . . . . . . . . . . | 416,436 | 234,221* |
| Distillers Corp. . . . . . . . . . . . . . . | 333,521 | 210,421† |
| International Nickel . . . . . . . . . . . | 367,593 | 284,808 |
| Shawinigan . . . . . . . . . . . . . . . . . | 102,198 | 90,748 |
| B. C. Power . . . . . . . . . . . . . . . . . | 121,415 | 66,408 |
| B.A. Oil . . . . . . . . . . . . . . . . . . . | 136,792 | 69,410 |
| Interprovincial P.L. . . . . . . . . . . | 53,830 | 4,132‡ |
| Hiram Walker . . . . . . . . . . . . . . . | 160,510 | 101,108 |
| Stelco . . . . . . . . . . . . . . . . . . . . . | 110,753 | 64,687 |
| Massey-Harris-Ferguson . . . . . . . | 84,926 | 32,217 |
| Consolidated M. & S. . . . . . . . . . . | 154,521 | 109,032 |
| Ford of Canada . . . . . . . . . . . . . . | 122,271 | 53,550 |
| Imperial Tobacco . . . . . . . . . . . . . | 82,524 | 74,300 |
| Abitibi . . . . . . . . . . . . . . . . . . . . | 95,117 | 64,068 |
| Gatineau . . . . . . . . . . . . . . . . . . . | 45,445 | 35,100 |
| Cdn. Chemical & Cell. . . . . . . . . . | 52,987 | 29,010 |
| CIL 54 . . . . . . . . . . . . . . . . . . . . | 43,826 | not avail. |

RETURN ON EQUITY
(net profit as percentage of equity)

| Company | 1954 Fiscal Year % | 1948 Fiscal Year % |
|---|---|---|
| CPR . . . . . . . . . . . . . | 3.5 | 3.5 |
| Bell Telephone . . . . | 7.2 | 6.5 |
| Aluminium Ltd. . . . . . | 8.1 | 22.7 |
| Imperial Oil . . . . . . . | 11.5 | 9.7† |
| Distillers Corp. . . . . . | 10.6 | 16.5‡ |
| Int. Nickel . . . . . . . . | 14.6 | 13.7 |
| Shawinigan . . . . . . . | 5.8 | 4.7 |
| B. C. Power . . . . . . . | 3.8 | 3.9 |
| B.A. Oil . . . . . . . . . . | 14.4 | 17.7 |
| Interprovincial P.L. . . | 8.2 | 81.1* |
| Hiram Walker-G.W. . | 11.9 | 24.6 |
| Stelco . . . . . . . . . . . . | 12.9 | 11.5 |
| Massey-Harris-Ferg. . | 8.7 | 26.0 |
| Consolidated M. & S. | 13.2 | 52.0 |
| Ford of Canada . . . . | 16.4 | 14.9 |
| Imp. Tobacco . . . . . . | 9.1 | 9.7 |
| Abitibi . . . . . . . . . . . | 10.6 | 16.0 |
| Gatineau . . . . . . . . . | 8.2 | 8.2 |
| Cdn. Chemical . . . . . | nil | . . . |
| CIL 54 . . . . . . . . . . . | 18.3 | . . . |

* 1951 fiscal year.
† Not consolidated in 1948.
‡ 1949-54.

BANKS

| Company | Total Assets (000) $ (latest fiscal year) |
|---|---|
| Royal Bank . . . . . . . . . . . | 2,895,856 |
| Bank of Montreal . . . . . . | 2,364,374 |
| Cdn. Bank of Commerce . | 1,911,815 |
| Bank of Nova Scotia . . . . | 965,628 |
| Imperial Bank . . . . . . . . | 623,149 |
| Bank of Toronto . . . . . . | 570,911 |
| Banque Can. Nat. . . . . . | 524,766 |
| Dominion Bank . . . . . . . | 507,896 |
| Provincial Bank . . . . . . . | 213,778 |
| Montreal City . . . . . . . . . | 193,769 |

INSURANCE COMPANIES

| Company | Total Assets (latest fiscal year) ($000) |
|---|---|
| Sun Life . . . . . . . . . . . . | 1,829,462 |
| Manufacturers Life . . . . . | 540,282 |
| Great West . . . . . . . . . . | 476,265 |
| Canada Life . . . . . . . . . . | 451,209 |
| London Life . . . . . . . . . . | 447,764 |
| Mutual of Canada . . . . . | 433,535 |
| **Confederation . . . . . . . .** | **294,827** |

# World Rush On Canadian Aircraft

## *De Havilland's Boom To Aid Many Firms*

By CLIVE BAXTER

*THE CS2F comes into service next year as the RCN's antisubmarine aircraft. With a crew of four it can operate from carriers or land. Cruising at 130 mph it can patrol for eight hours. The latest aids are carried to seek out submarines, the latest weapons are aboard to sink them.*

De Havilland Aircraft of Canada is getting ready to boost production above anything contemplated a few months ago.

Orders have been flowing into their Toronto plant for hundreds of new planes from operators all over the world.

Plans have been made to move back into the company's old plant —vacated last spring—to help handle the new rush. The modern factory taken over then was designed to handle all likely production orders in the next five years at least. Already it is too small.

Here are some of the big orders just signed:

—A contract for 90 Otters for the U. S. Army worth an estimated $8½ millions.

This contract has been under discussion for nearly a year. The Otter underwent severe acceptance and evaluation trials in competition with American types by the U. S. forces. No other aircraft met up to its standards. But it is not easy for the American Government to order aircraft outside the United States without political ill-feeling. The Army proved that the Otter was the only aircraft available that could do the job they required.

—An initial order for 100 Grumman CS2F, carrier-borne, twin-engined anti-submarine aircraft to be built under license for the RCN.

It is believed that this order will be followed by a larger one if the design is accepted by NATO as a standard weapon. Each aircraft, packed with the latest in electrical anti-submarine aids, is worth about $500,000.

—A new contract for Chipmunk basic trainers for the RCAF.

The initial order is for 60 with spares, costing $15,000 each. The Chipmunk was the first design of the Canadian company of de Havilland's. It appeared in 1947 and between then and 1952 the Toronto factory produced 157 of them. Meanwhile the parent company in Britain produced hundreds under license for the RAF and foreign air forces. The new contract is taken as a sign the RCAF senior officers are returning to the line of thought that rules young pilots should first learn to fly a light safe aircraft before flying more advanced types like the Harvard—which is at present used as a basic trainer with the RCAF.

These orders are the biggest and the most recent. Already the company's production lines are working to capacity. By the end of January 767 of the fabulously successful Beaver bush-planes had been sold. Order books for future production remain crowded.

Selling for $50,000 with all the equipment needed to operate in the wilds, far from normal airports, Beavers are now operating in 36 countries. They are flying in the Artic, in the Far East with the U. S. Army, the Mexican jungle and even in the Arabian desert off sand at temperatures of 115 deg.

The worth of the Beaver and Otter—of which 82 had been sold for $100,000 each before the latest order—is further emphasized by the fact that overseas buyers had to find dollars to pay for them.

"If only we could charge sterling," a de Havilland executive said recently," I estimate we could sell four times as many Beavers and Otters. Still we aren't doing badly as it is."

A possible solution to the dollar problem is to build Beavers in Britain under license. One machine was sent last year to the parent company who fitted it with a British engine.

If satisfactory orders can be assured, Beavers may be produced in England which would have the effect of easing the pressure in the Canadian production lines.

The latest contracts for Otters and Chipmunks are very welcome at the company. Both aircraft are native designs and are second to none in their class.

### Boost for Subcontractors

But the big news for the Canadian aircraft industry is the CS2F order.

This promises to give the aircraft subcontracting business in Canada a not unwelcome shot in the arm. Here are some of the results:

—Plants from Winnipeg to Amherst N.S. will receive orders. Factories are busy setting up tools and jigs to handle the orders.

—The over-all value of the contract to the whole industry is expected to reach $140 millions.

—Besides hundreds of small firms that will receive orders for specialized items of anti-submarine equipment—many of them top secret—the following major firms will receive substantial production contracts.

**Canadian Pratt & Whitney Aircraft Co.** of Longueil, Que., will produce the Curtiss-Wright R-1820-82 Cyclone engines under license.

**Canadian Car & Foundry Co.,** of Fort William, Ont., will build the wings.

**Canadair Ltd.,** Montreal, are to manufacture the rear fuselage section.

**Enamel & Heating Products Ltd.,** Amherst, N.B. will build the tail sections.

**MacDonald Bros. Aircraft Ltd.,** Winnipeg, will produce a number of components including the engine nacelles and sonobuoy housings.

**Jarry Hydraulics,** Montreal, will produce the undercarriage in conjunction with **Dowty Equipment of Canada, Ajax, Ont.**

**Fleet Manufacturing Ltd.,** Fort Erie, Ont., will make the bombbay doors, nose wheel doors and escape hatches.

The units will go to de Havilland for assembly, wiring and installation of electronic equipment. De Havilland will also carry out all flight testing.

Arranging the complex subcontracting has been a major undertaking as every item of equipment, though Canadian built, must be identical to the U. S. product. This is so that once in service a CS2F could land on an American carrier or air base and receive complete servicing.

Because of the complexity of the operation, a modest two-a-month production schedule has been decided upon as a start, but once production gets rolling the rate will be increased. First planes should be flying early in 1956.

De Havilland feels present production staff can handle the orders in the new plant plus their orders for servicing Vampires and North Stars for the RCAF. But the Chipmunk line, which is due to move into the old factory, will need new workers. It is hoped that some of the 1,000 men Avro were forced to lay off in the area last month will be absorbed in the new work.

# *Eavesdrops On Airmen*

## Multi-Tape Recorder Took Three Years To Develop

By TREVOR LLOYD

Executives of a small Toronto manufacturing firm relaxed for a few minutes last week and out of their second-story office windows, watched an eight-foot-high crate being loaded carefully on a truck.

Inside the crate was the "AN/GNH-501"—a project that has simultaneously provided headaches and satisfaction for the directors of Sonograph Ltd. It's a new multi-tape recorder developed for the RCAF to record conversations between airplanes and airports.

The equipment is new to Sonograph and to the RCAF though similar machines are being used by the Department of Transport. Recordings of this type figured prominently in the recent investigations of the crash that brought death to Ontario Hydro Chairman Robert Saunders.

Shipment of Sonograph's first unit out of the suburban Leaside plant last week marked the culmination of three years of work for the company that had formerly farmed out all its manufacturing operations and acted itself only in a sales and distribution capacity.

When the present owners took over the two-year-old Ritchie Recorders Ltd. in the fall of 1951 the company was marketing one basic model of its dictating machine, "Tapewriter." It had started off in October, 1949 in Montreal and then moved to Toronto a year later.

The staff in 1951 consisted of four people in the office and four salesmen in the Toronto area—all manufacturing was subcontracted. Today—80 in the manufacturing division and a sales staff of 50.

The name was changed to Sonograph Ltd. and a year ago, a second company, Sonograph Engineering & Manufacturing Ltd. was established when tall, well-groomed President Morley Thompson and his fellow directors decided to set up their own manufacturing operations.

### Precise Demands

The decision came as sales of the improved and modified dictating machines mounted and the company found it more and more difficult to obtain subcontractors who could handle increasingly precise demands made on them by the young company.

Added to this were research and specialized manufacturing techniques involved in development of the multi-unit recorder the RCAF had asked Sonograph to produce.

To guide this branch of its operations, Sonograph needed an electronics engineer with a wide knowledge of materials and an almost inventive mind to tackle complex problems involved in the project.

The man they wanted wasn't available in Canada so the Sonograph directors went to Chicago and persuaded bland, knowledgeable Elmer Hoffman who had already acted for them in an advisory capacity, to join them on a full-time basis.

One of the earliest problems facing Hoffman was the unsatisfactory brass "leader" on the dictating machine tapes—it wasn't strong or supple enough and continued breakage of this inch-long bit of metal was bringing customer complaints. Hoffman began experimenting with a string and a bent paper clip, ended up using michrome, a nickel-base alloy. Then he was stuck without a satisfactory adhesive to secure the leader to the plastic tape. After testing 700 different cements suggested by 17 manufacturers, Hoffman found one that met his requirements.

Other problems of the same nature were handled by Hoffman who found that his company, like other small manufacturers, was not a big enough user to justify extensive research by supplying companies. Instead it meant that he has had to continually modify existing products and in most cases his activity has attracted the interest of the industries concerned.

### World's Most Advanced

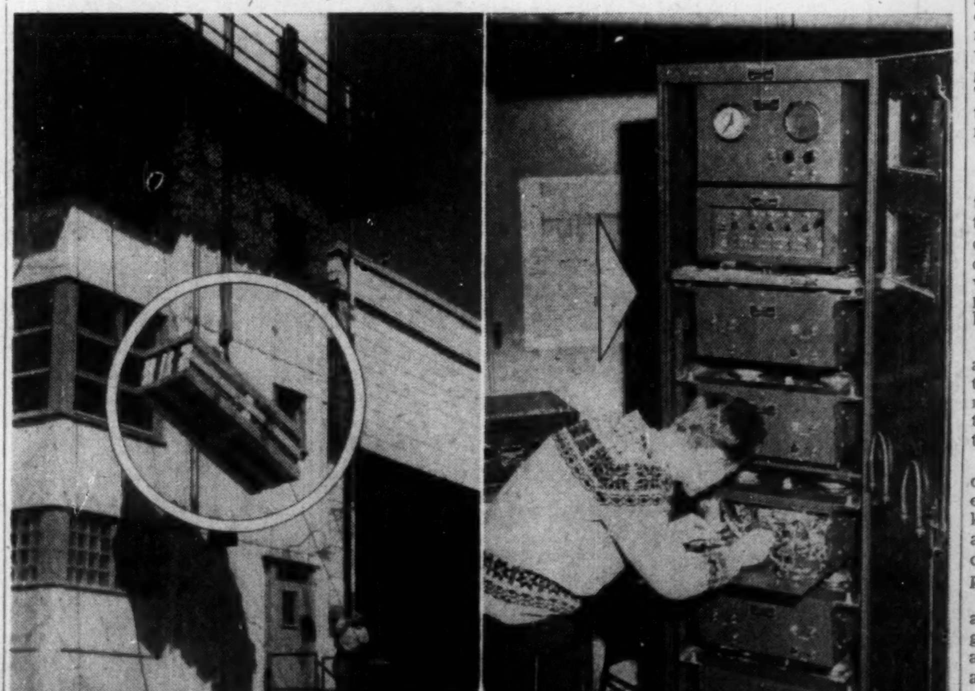
Sonograph has developed its magnetic tape recorders to the point where they are claimed to be "the most advanced in the world." There are two basic models, a microphone type with the recording mechanism to be set up beside the desk and a multi-use type in which one recording unit is located centrally in, for instance, a stenographer's office and 10 or more telephon-type handsets are connected to it. This means, in effect, that five persons may use the one machine. Once the handset is lifted from its cradle, a green light indicates a free line on which dictation can be given without interruption.

There is also a device by which the dictator can, through the machine, speak directly to his secretary in her office.

When the firm began looking for a new field, the long-play recorder required by the RCAF was a natural development. Work on it began in 1951 and there have been numerous modifications as the air force and Department of Defense Production changed specifications to meet new demands.

The unit is made up of five recorders encased in a seven-foot-high cabinet on which four separate ground-to-air conversations can be recorded simultaneously. The fifth is a stand-by that cuts

(Continued on page 23)



*THE FIVE-UNIT RECORDER developed by Sonograph Ltd. for the RCAF is hoisted into the control tower at Centralia, Ont., for a trial run. It will record conversations between airplanes and the control tower and is the newest project of the young, all-Canadian Leaside company.*

# There's Trouble 'Round The Bend

## *But These Road Services Warn You, Save You Money*

A blizzard howls down from the Rockies, burying an Alberta highway under tons of unyeilding drifts. Even before the snowplows go to work, big mobile oil rigs find alternate routes and reach their destinations.

An all-night freezing rain coats one of the Queen's highways like a skating rink. A Toronto businessman 100 miles away knows of it at 2 a.m., and he cancels a selling trip that might have lost money.

Acts of nature happen fast, but within hours the hazards are reported by segments of a coast-to-coast network of road information services. These warning services save business and industry hundreds of thousands of dollars a year.

"Anybody taking a road trip in winter today can find out what's ahead of him just as easily as an airplane pilot," says a road official.

Road-wise motorists know it. That's one reason why the Ontario Motor League's Toronto office, for example, gets an average of 4,000 phone enquiries a month about road conditions.

"Highway 61: Noville to Nonesuch, centre bare, 22 miles; Nonesuch to Notown, glare ice, 17 miles . . ."

By phone, teletype, telegraph and short wave radio, officials across Canada piece together the hazards and inconveniences. The information goes out to the public by radio broadcasts, newspapers and even 24-hour phone services.

If you're planning a business trip, or routing an important shipment by road, here's how to find the safest, shortest, cheapest routes during these tricky winter and spring months.

### Ontario

Ontario probably has Canada's finest roads information service. In addition to a 24-hour telephone enquiry service in 21 stations across the province, the Department of Highways also issues three bulletins a day to the public.

The department also passes on the information to the Ontario Motor League, which teletypes it off to a network of 10 stations in the U. S.

This year the headquarters of Ontario's road information service is linked by teletype with every division office in the province, including five in the northern bush country. Several highways divisions in the busy southern areas use two-way radiotelephone between snowplows and maintenance units out on the roads.

This 24-hour radio-teletype-telephone relay system stays in force from Nov. 1 until about the middle of April.

These are the phone numbers of Ontario's information offices:

Toronto head office, EM 3-1211, Loc. 2121; Chatham, 947; London, 4-2718; Stratford, 1757; Hamilton, 7-9131; Owen Sound, 1850; Toronto (division office), ST 8-6181; Port Hope, 2481; Kingston, 2-7351; Ottawa, 2-9639; Bancroft, 8 ring 2; Huntsville, 970; North Bay, 1130; New Liskeard, 412; Cochrane, 351; Sudbury, OS 3-0573; Blind River, 393; Fort William, 3-6341; Kenora, 6494; Dryden, 89; Fort Frances, 373.

### Newfoundland

Newfoundland so far hasn't a trans-insular highway, but Canada's easternmost province has important stretches of highway linking its commercial centres.

The Provincial Government keeps some of these open during winter months, but only a percentage of the total mileage is plowed as a regular service. according to R. Manning, Deputy Minister of Public Works.

Local residents contact their Department of Public Works office in one of four highways districts for highways information. Following heavy storms, each office reports by phone to the head office in St. John's, which issues public radio bulletins.

The four highways districts: Avalon Peninsula, Burin and Bonavista Peninsulas, Grand Falls, Corner Brook.

### Prince Edward Island

Canada's other island province, like Ontario, maintains a 24-hour phone service for the public during winter months. The reports come into headquarters by telephone from various sources.

Information also goes out to the public by radio bulletins. The central headquarters: Department of Public Works & Highways, Charlottetown.

### Nova Scotia

Road maintenance engineers gather information daily in Nova Scotia and telegraph it to head office every morning. The engineers use a special code in sending the information.

Although the information goes out to both newspapers and radio stations for dissemination every morning, the Department of Highways & Public Works sometimes gets 50 phone enquiries a day.

"If it was not for this service and the publicity given by radio and press, many people would get into difficulties and there would be many more accidents," says R. W. McColough, executive assistant to the Minister of Highways & Public Works.

The Nova Scotia information network is not linked up with neighboring provinces or the U.S., but will answer special queries from outside the province.

Central headquarters: Department of Highways & Public Works, Halifax.

### New Brunswick

New Brunswick expects to have short wave radio service linking its various counties to Fredericton headquarters this year. According to R. Palmer, deputy minister of Public Works, this should speed up information service.

New Brunswick's information service is operated by the New Brunswick Travel Bureau, under R. A. Tweedie, director.

Highway engineers transmit the information daily to the Travel Bureau during the winter months, from Dec. 1 to mid-April. Normally the service is closed weekends, unless there has been a heavy storm.

The information comes in by telegraph or phone from 14 engineers, is processed by the Bureau, then issued in bulletin form to the CBC, Halifax, and to radio stations and newspapers in New Brunswick. Copies also reach larger hotels, army headquarters and the chief highways engineer's office in Fredericton.

If he misses the radio or newspaper bulletins, a motorist can get information by phoning the nearest highway engineer's office.

The Travel Bureau gets an average of 12 phone enquiries a day in Fredericton, but many more during bad weather. Weekend trippers are a major source of enquiries.

"There have been examples where information given from this office has helped to bring food to marooned settlements in the back country and has helped stranded motorists," says Mr. Tweedie.

The new short wave radio network will operate in conjunction with the Forests Protection network of the Department of Lands & Mines. It is planned to equip snowplow units with radio also.

### Manitoba

Road patrols of the Manitoba Department of Highways gather information daily, transmit it to headquarters in Winnipeg. The information is sent to radio stations and newspapers.

Motorists can get detailed information by phoning the Department of Highways offices in various major centres.

For its members, Manitoba Motor League issues a daily road report, compiled from its own reports and from official information. A. C. Emmett, Jr., secretary-manager of MML, estimates that members alone make 300 phone enquiries a month during winter.

MML exchanges information daily with motoring organizations in neighboring provinces and in the U. S. Members also have access to weekly reports from Ontario and Alberta, and special reports from the northern states.

Mr. Emmett says the four provinces that comprise the Western Division of Canadian Automobile Association have discussed the possibility of using the RCMP radio network to transmit prairie mountain-coastal road information on an up-to-the-minute basis.

### Alberta

Alberta's Department of Highways is now installing a teletype service between district engineers and headquarters in Edmonton. This will mean faster, direct communication of daily road reports. As now, information will be disseminated to the public by radio broadcasts.

These reports are sent to Alberta Motor Association, Edmonton, which retransmits them over its extensive teletype facilities.

AMA also gathers road information from various AMA branches throughout the province, and it is passed on to the Edmonton office by teletype. The Edmonton office answers phone enquiries, says AMA President J. C. Macdonald.

The AMA gets daily reports from Saskatchewan, Manitoba and British Columbia. It is tied in with U. S. facilities by teletype.

### Quebec

The Province of Quebec operates a road information service very similar to Ontario's, including 24-hour phone enquiry services. For information, contact the nearest office of the provincial highways engineers.

Royal Automobile Club, Montreal, offers phone information for members.

### Saskatchewan

Saskatchewan highways officials gather information daily, issue bulletins to the public. Central headquarters: Department of Highways, Regina.

Private motor club officials also disseminate some roads information to members.

### British Columbia

B. C. highways engineers gather information daily, which is issued to the public in bulletins. Private motor groups also co-operate in distributing information.

## COMPANY REPORTS

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

### Financial

**THE CANADA TRUST CO.** net profit for 1954 was $228,355, 3.8% higher than net profit for 1953 of $219,944.

Total assets increased by 20% in the year to more than $228 millions. Guaranteed departments accounted for $12 millions of the increase, now amounting to $39 millions. Estates, trusts and agencies assets rose by $26 millions to $184 millions.

The latter department has increased more than $76 millions in the past five years compared with $36 millions in the first 45 years of the company's history.

Annual general meeting is Feb. 9, at company's head office in London, Ont.

| | [illegible] | 1953 |
|---|---|---|
| Liabs. to pub., etc.* | $39,293,977 | $27,411,343 |
| Sh'holders' equity | 3,835,182 | 3,766,827 |
| *Secured by: | | |
| Mtges. & sls. agree. | 18,562,142 | 15,505,471 |
| Liquid assets‡ | 24,567,017 | 15,672,699 |
| Total | 43,129,159 | 31,178,170 |
| ‡Includes bonds and stocks. | | |
| Estates account | 184,874,659 | 158,796,811 |
| Net profit | 228,355 | 219,944 |
| Earned per Share | $2.28 | $2.20 |
| Paid | 1.60 | 1.60 |

• Idle money or poor securities are like stabled horses—they don't earn their keep! Whether it's savings to invest, or you want some help and guidance on your present securities, we are here to help people help themselves to a better financial experience. We have nothing to sell but the knowledge and experience of 29 years in the securities business, so feel free to come in and talk to us . . . or simply write:

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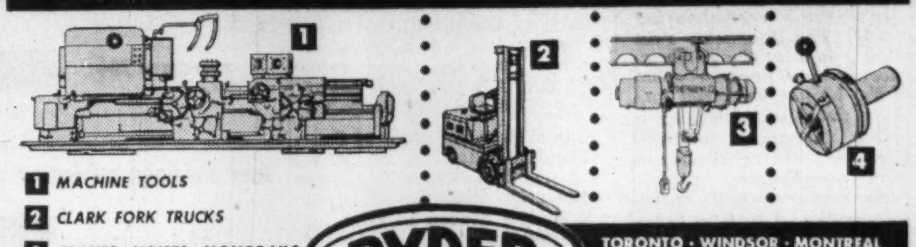

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**LONDON LIFE REACHES ALL-TIME RECORD FOR CANADA**

**$391 million of life insurance issued in 1954**

**for the protection of Canadian families**

*Life insurance in force now exceeds $3 billion...*

■ Once again the life insurance purchased from this Company by the people of Canada set a new record. For the protection of homes and provision for the future, Canadians acquired a total of $391 million through the representatives of the London Life—an increase of approximately $20 million over last year's total, which constituted the previous high mark.

Life policies accounted for 67 per cent of the insurance bought by individuals, Term plans 29 per cent. Purchases of Ordinary insurance—through both Ordinary and Industrial field men—represented nearly 80 per cent of the Company's total.

The life insurance in force increased during the year by $243 million, and well over a million Canadians now have over $3 billion of life insurance with this Company.

The total of the amounts paid to or set aside for policyholders and annuitants and their beneficiaries in the Life Insurance Branch exceeded $60 million for the year, $5¼ million more than for 1953. A large number of policyholders and beneficiaries have chosen to leave policy proceeds on deposit with the Company at interest, and these funds, together with policy dividends left to accumulate, amount to $52 million.

In the Group Sickness and Accident Branch, the insurance on Canadian employees and dependents increased by over 10 per cent. Benefit payments reached a new high mark of $6½ million—about a million dollars higher than for 1953. Over 145,000 separate payments were made during the year to help compensate for time lost through illness or injuries, or for hospital, surgical and related expenses.

In the investment of policyholders' funds to meet future needs, the major proportion was applied to mortgage loans, principally effected to provide new dwellings for families across Canada. A total of $55 million was invested in this way—by far the largest amount in the Company's experience. Total mortgage loans are now over $221 million, and account for 47 per cent of the Company's investments. The London Life has been one of the leading institutions of Canada in the arranging of National Housing Act mortgage loans.

As in past years, training schools were conducted at the head office for all new field representatives, and specialized courses were held for more experienced men.

The London Life enters its 81st year well prepared to carry on its traditions of service, to present and new clients, through its 1300 field men and its 76 branch offices across Canada.

**New Features for 1955...**

*New Jubilee Policies*

Jubilee Whole Life policies with annual dividends to policyholders have been an outstanding feature of London Life service since 1924, providing low cost permanent protection in amounts of $5,000 and over.

Now, for amounts of $10,000 and over, a new class of policies has been introduced in the Jubilee Life Series, at even more attractive premium rates. In addition, the Jubilee low cost feature is being extended to Endowment plans.

*New Scale of Policy Dividends*

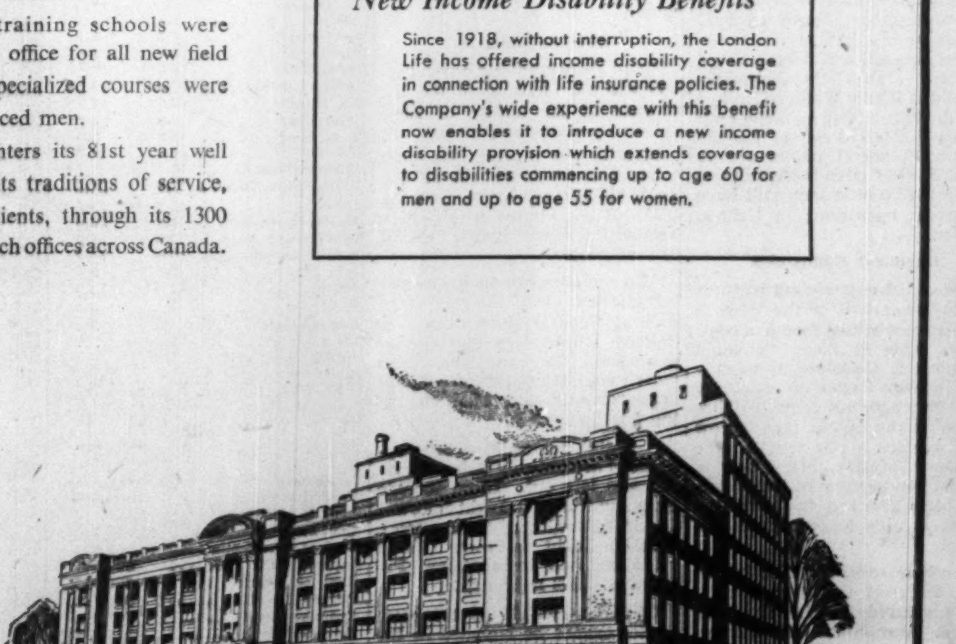
The London Life's long record of low net cost to policyholders will be enhanced and extended by the new and higher scale of policyholders' dividends effective for 1955.

*New Income Disability Benefits*

Since 1918, without interruption, the London Life has offered income disability coverage in connection with life insurance policies. The Company's wide experience with this benefit now enables it to introduce a new income disability provision which extends coverage to disabilities commencing up to age 60 for men and up to age 55 for women.

London Life
INSURANCE COMPANY
*Head Office • London, Canada*

*For a more detailed account of the Company's business in 1954, write the London Life head office, or call one of our branch offices for a copy of the Annual Report booklet.*



ANNOUNCEMENT

## CJCA SALES MANAGER

**CAMERON PERRY**

Broadcasting Station CJCA, Edmonton, announces the appointment of Cameron Perry as Sales Manager.

Mr. Perry has been active in radio for nineteen years as announcer, production manager and sales manager.

After seventeen years with CJOC, Lethbridge, he transferred to CJVI, Victoria in 1952, and was moved to CJCA, Edmonton, in December, 1954.

## Should We Kick Hal Banks Out of Canada?

Hal Banks is Canada's most controversial union leader. His right to be in Canada has been questioned nine times in the House of Commons. His rivals call him a dictator, some politicians say he's an alien racketeer but he claims he's just a tough trouble shooter who drove the Communists off Canadian ships and got his seamen a better deal. In the February 15 Maclean's, Sidney Katz tells the full story.

## They're Fighting to Save What's Left of Sunday

OPEN
Sunday
10 A.M.

Is Sunday becoming obsolete? In the February 15 Maclean's, John Gray's behind-the-scenes report tells how the Lord's Day Alliance battles Sunday hockey, baseball fans and resort crowds in order to stop Sunday from becoming just another Saturday.

## The Remarkable Rise of Smiling Cece Bennett

This B. C. hardware merchant always wanted to lead a political party. He didn't have much success as a Conservative. In the February 15 Maclean's Robert Collins tells how Cece Bennett changed into a Social Crediter and one year later became B. C. Premier, and the undisputed ringmaster of the province's political circus.

### Plus these features

- Sam Langford—The Greatest Fighter That Ever Lived—by Trent Frayne.
- Women Just Have No Imagination — by Robert Thomas Allen.
- Saskatoon's Love Affair With a Hotel Called the Bessborough—by Leslie F. Hannon.

**FEBRUARY 15 ISSUE**

**on sale today at all newsstands**

**MACLEAN'S**

CANADA'S NATIONAL MAGAZINE

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# Feb. Dividends $30.6 Millions

Dividend payments in February (as declared at Jan. 28) amount to $30,645,182, slightly higher than the total for the same month last year of $30,331,446.

In the industrial group 82 issues are paying only a little less than 102 issues paid last year, with the likelihood of more still to be declared; this year's figure is so far $23,663,301 compared with $23,716,254 in 1954.

Nine mining companies paid $1,923,055 in February, 1954, as compared with $1,210,844 by only four issues this year.

In the oil group, the figure is up from $1,033,756 to $1,135,016 due to the increase in dividend paid by McColl-Frontenac. The financial issues (26 of them this year compared with 22 in 1954) are up from $3,688,381 to $4,636,021, mainly due to increases in dividends paid by some banks (notably Bank of Nova Scotia) and United Corp. B. whose extra payment nearly doubled last year's figure for the issue.

Dividends declared to date amount to $90,326,532, compared with $85,800,546 in first two months of last year.

Following is a list of payments for February, as compiled by The Financial Post from records now available.

**Monthly Dividends**

| | 1955 $ | 1954 $ |
|---|---|---|
| January | 59,681,350 | 55,469,100 |
| February | 30,645,182 | 30,331,446 |
| Total | 90,326,532 | 85,800,546 |

**Industrials and Utilities**

| Company | Rate $ | Date | Amount $ |
|---|---|---|---|
| Company | Rate $ | Date | Amount $ |
| Anglo-C. Tele. 4½% pf. | .56¼q | 1 | 70,313 |
| Anthes-Imp. 6% pf. | 3.00s | 1 | 14,268 |
| Argus Corp. | ▪.60 | 1 | 90,000 |
| Beaver Lumber c. | 2.00 | 1 | 313,476 |
| Blue Ribbon pfd. | .62½q | 1 | 10,660 |
| B. C. Forest Prods. | .10q | 1 | 200,000 |
| B. C. Tele. 6% 2nd pf. | 1.50q | 1 | 67,500 |
| Brown Co. 2nd pf. | •†.50 | 1 | 39,784 |
| Caldwell Linen | .20q | 1 | 8,000 |
| Do. 1st pf. | .38q | 1 | 5,700 |
| Do. 2nd pf. | .20q | 1 | 5,000 |
| Canada Foils | .10q | 15 | 10,000 |
| Do. A | .15q | 15 | 15,000 |
| Canadian Bronze | .32q | 1 | 51,200 |
| Do. 5% pf. | 1.25q | 1 | 9,375 |
| Cdn. Car. | .20q | 22 | 77,159 |
| Do. A | .25q | 22 | 89,808 |
| Cdn. Pac. Rly. ord. | .75 | 28 | 10,355,577 |
| Do. pfd. 4% | 2%s | 1 | 1,565,293 |
| Cdn. Utilities 5% pfd. | 1.25q | 15 | 50,000 |
| Coast Breweries | .06q | 1 | 108,189 |
| Cochrane-Dun. A | ▲▲Stk. Div. | 15 | ...... |
| Conduits Nat. | .25 | 8 | 40,200 |
| Cons. Bakeries | .50 | 1 | 169,721 |
| Cons. Glass | .37½q | 28 | 119,839 |
| Cosmos Imp. | .17½q | 15 | 70,000 |
| Crown Cork | .50q | 15 | 50,000 |
| Disher Steel A pfd. | .37½q | 1 | 3,857 |
| Dom. Bridge | .10+▲.30 | 25 | 1,027,902 |
| Dom. Fabrics | .10 | 1 | 7,000 |
| Do. 2nd pfd. | .37½q | 1 | 4,500 |
| Dom. Tar & Chem. | .10q | 1 | 280,000 |
| Federal Grain pf. | .35q | 1 | 43,446 |
| Freiman, A. J. | .12½q | 1 | 10,625 |
| Do. 4½% pfd. | 1.12½q | 1 | 8,085 |
| Gen. Steel Wares | .10 | 15 | 31,088 |
| Do. pf. | 1.25q | 1 | 56,165 |
| Gt. West Coal A | ♦.12½q | 1 | 40,200 |
| Gurney Prod. pf. | .40q | 1 | 9,082 |
| Hamilton Cot. pfd. | 1.25q | 15 | 7,156 |
| J. F. Hartz A | .12½q | 1 | 3,750 |
| Geo. H. Hees 6% pf. | 1.50q | 1 | 12,000 |
| Imp. Tob. 4% pf. | .25q | 1 | 72,124 |
| Int. Utilities pf. | †.35q | 1 | 76,876 |
| M.R.A. Holdings 5% pf. | .31¼q | 1 | 14,931 |
| Macmillan & Bloedel B | ▲.20 | 28 | 1,033,753 |
| McArthur Chem. 5% pf. | .25q | 1 | 2,711 |
| McCabe Grain A | .15q | 1 | 6,730 |
| Do. B | .15q | 1 | 11,237 |
| Minas Bas. Pulp | .50q | 1 | 8,500 |
| Minn. & Ont. Pap. | †.60 | 1 | 806,726 |
| North-West Tel. 5% pf. | .12½q | 1 | 3,125 |
| Northwestern Util. pf. | 1.00q | 1 | 65,000 |
| Ont. Steel Prod. | .25 | 15 | 60,550 |
| Do. pf. | 1.75q | 15 | 6,306 |
| Penmans | .75q | 15 | 43,389 |
| Do. pf. | 1.50q | 1 | 16,125 |
| People's Cred. Jew. | .15+▲.05 | 15 | 44,460 |
| Price Bros. | 1.00s | 1 | 2,191,423 |
| Quebec Power | .30 | 25 | 165,959 |
| Quinte Milk A | .15q+♦.15 | 1 | 9,600 |
| Do. B | .15 | 1 | 1,444 |
| Reitman's Ltd. | .10q | 1 | 18,000 |
| Royal Oak Dair. A | .15q | 15 | 5,625 |
| Do. B | .50 | 15 | 25,000 |
| St. Law. Flour pf. 2% | 1.75q | 1 | 9,033 |
| Scarfe & Co. A | .20q | 1 | 7,000 |
| Do. B | .10q | 1 | 5,250 |
| Shawinigan W. Pr. | .30q | 25 | 653,810 |
| Sher.-Wms. ord. | .45+▲.25 | 1 | 157,304 |
| Shirriff's Ltd. pfd. 5% | .25q | 1 | 3,264 |
| Sidney Roofing A | .22½q | 1 | 11,250 |
| Slater, N. | .15q | 1 | 22,365 |
| So. Can. Pwr. | .50 | 15 | 200,000 |
| Stand. Fuel 4½% pf. | .56¼q | 1 | 11,250 |
| Stanley Brock A | .15q | 1 | 4,703 |
| Do. B | .10q | 1 | 6,270 |
| Steel of Canada | .30+▲.30 | 1 | 2,221,110 |
| Taylor, P. & C. 5% pf. | .12½q | 15 | 10,000 |
| Union Gas | .35q | 1 | 247,170 |
| Vancouver Pac. Pap. A | .12½q | 1 | 1,250 |
| Zellers | .22½q+▲.10 | 1 | 243,750 |
| Total | | | 23,663,301 |
| **Mining Companies** | | | |
| Inter. Nickel pf. | †1.75q | 1 | 483,487 |
| Lamaque Gold | .08 | 1 | 240,000 |
| Teck-Hughes | .05t | 1 | 240,357 |
| Un. Keno Hill | .10 | 25 | 247,000 |
| Total | | | 1,210,844 |
| **Oil Companies** | | | |
| Can. Oil c. | .12½q | 15 | 125,862 |
| Commoil | .20 | 25 | 226,765 |
| McColl-Front. Oil | .30 | 28 | 782,389 |
| Total | | | 1,135,016 |
| **Financial** | | | |
| Bk. of Nova Scotia | .40+▲.20 | 1 | 900,000 |
| Bk. of Toronto | .43⅓ | 1 | 260,000 |
| Cdn. Bk. of Com. | .30q | 1 | 900,000 |
| Cdn. Inv. Fd. sp. & ord. | .08q | 1 | 612,557 |
| Cdn. Pwr. & Pap. Secs. 5% pf. | .62½q | 28 | 25,000 |
| Continental Life | 1.30 | 1 | 13,000 |
| Dominion Bank | .32½q | 1 | 227,500 |
| Dom. Scot. Inv. 5% pf. | .62½q | 28 | 23,750 |
| East. Ltd. & Pwr. | .40s | 15 | 24,000 |
| East Util. 5½% pf. | .27½s | 1 | 7,563 |
| Empire Life Ins. | .60a | 15 | 19,214 |
| Grouped Inc. Shs. | .05 | 1 | 9,176 |
| Hydro-Elec. Sec. 5% B | .25s | 1 | 154,163 |
| Imperial Bank | .30q | 1 | 210,000 |
| Ind. Accept. 5% pf. $100 par | •.66 | 17 | 8,741 |
| Do 4½% pf. $100 par | •.56 | 17 | 7,226 |
| Do. 5% pf. $30 par | •.20 | 17 | 8,008 |
| Do. 5% pf. $40 par | •.37 | 17 | 42,594 |
| Investors Mut. | .07 | 14 | 490,000 |
| Ont. Loan | ▲.10 | 1 | ▲25,000 |
| Res. of Can. Inv. Fd. | .06 | 1 | 13,228 |
| Royal Trust | ▪▪.25q+▲.20 | 1 | 180,000 |
| Sherbrooke Trust | 1.50q | 1 | ▲4,500 |
| United Can. Shs. | .30 | 1 | 115,245 |
| United Corp. A | .38q | 15 | 19,850 |
| Do. B | .10q+▲.25 | 28 | 335,706 |
| Total | | | 4,636,021 |
| Grand Total | | | 30,645,182 |

A—Annually. t—thrice annually. q—Quarterly. s—Semiannually. †N. Y. funds. ▪Initial. ‡On arrears. ▲Extra. •Paid on redemption. ♦Participating divd. ▪▪After 4-for-1 stock split. ▲▲2 non-assessable red. pfd. shs. (20c ea.) to be redeemed immediately.

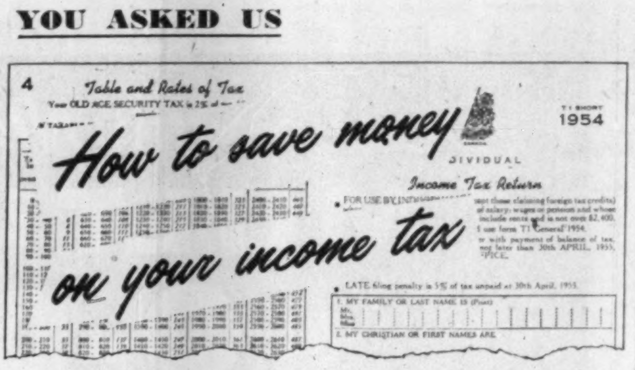
## Life Underwriters Body Elects National Head

Representatives of 7,332 life insurance underwriters, meeting in Toronto, elected C. W. Mealing, CLU, as president of Life Underwriters Association of Canada. The new national president is a Toronto representative of North American Life.

J. D. Mingay, CLU, representing Prudential Assurance Co. of England at Toronto, was re-elected chairman of the LUA board of directors for his second consecutive term. Leslie W. Dunstall, a member of the Association's staff since 1920, was promoted from general manager to executive vice-president of LUA.

A feature of the group's 48th annual meeting was presentation to Donald MacLean, Toronto, of the John A. Tory gold medal for outstanding success in examinations leading to the CLU designation. MacLean, a Toronto representative of Prudential of England, was one of 85 LUA members who earned the designation in 1954.

## YOU ASKED US



***If you don't know all the details of deductions, dividend allowances, depletion, etc., you may be paying more income tax than is necessary. Your sole legal and moral responsibility is to meet the legislative requirements. You don't have to cheat to save money.***

***Here is another in a Financial Post series dealing with common questions on income tax. Remember the personal income tax deadline is April 30.***

**I have a large endowment life insurance policy which matured last year. I left the proceeds with the company and the insurance company adds interest each year. Is this interest subject to income tax?**

Yes. Any amounts received this way after the policy has matured are considered income and subject to tax.

**For some years after my wife and I were married she worked and turned her income into the family purse where it helped to pay household expenses. Now we are on our feet financially I would like to return this money to her so she can build up her own financial position with her own bank account and her own investments. I would like to repay her in a lump sum. If she invests this money would the revenue from these investments be considered still my income for which I would still be taxable or would it be her income and taxable in her hands?**

The income tax position of this revenue would depend on two questions:

1. Did she actually earn the money?
2. Did it actually go into the family accounts or did she spend it on herself?

There would doubtless be little trouble in meeting the first requirement. It would probably be more difficult to satisfy the tax authorities on the second. It might be necessary to submit canceled cheques, receipts for bills paid by your wife, affidavits perhaps, etc. You could check over what proof is available and then put the whole proposition up to the income tax authorities.

**I have a daughter who is over 21 but training as a nurse at a large public hospital. I have to contribute to her expenses for uniforms, books, etc. Do I get any income tax allowance on her account?**

Yes, you can claim her as a dependant even though she is over 21 just the same as you would claim a child over 21 attending college or school.

**My husband and I are both elderly and each ordinarily has a moderate income and pays income tax as a single person. Last year my husband, however, did not have a taxable income. We own the house in which we live and last year rented the top floor. We both contributed to the purchase price of the house which is registered in both our names.**

**How do we show the rental from the top floor? Do I report it as my own income because I have taxable income this year or do we each report part of the rental income? If so, how do we divide it between us?**

In ordinary circumstances you and your husband, for income tax purposes, would divide the rental income between you according to the proportion each put into the purchase price. It would be necessary, however, to give evidence as to how much each contributed. If the wife's share were bought with money the husband gave her, the whole house and the whole rental would be considered the husband's for tax purposes.

**I notice in income tax discussions the terms dealing "at arm's length or "not at arm's length" are often used. What do these terms mean? What is their significance as regards income tax?**

Generally speaking, the term "at arm's length" refers to the relationship between strangers; "not at arm's length" to the relationship between relatives or related corporations. Transactions between other persons, such as business associates, might also be considered "not at arm's length." Thus a deal between father and son or between two brothers would not be considered at arm's length, while one between two complete strangers in most cases would be. "Not at arm's length" would mean a closer, more personal relationship.

How it works: If a son purchased an apartment building from his father at a price exceeding the price paid by the father, then the son would be allowed capital cost allowance on the original cost to the father as though that was price paid by the son to acquire the building.

The relationship of corporations would be decided by the relationship of the controlling shareholders. The income tax act deems persons connected by blood, marriage or adoption to deal with each other not at arm's length. The act defines a number of relations who may or may not be ruled to deal with each other at arm's length.

**I am employed but this year will have considerable investment income also. My salary will be a good deal less than 75% of the total. My employer is still making tax deductions at the source, from my salary. What do I do about my investment income?**

It is assumed this is the first year you will have any substantial investment income. Normally you would calculate your 1955 investment income based on your 1954 investment income.

Under the circumstances you can't do this because your investment income was so small in 1954. So you'll have to make as close an estimate of your investment income as you can, add it and your salary together, work out your total tax on the whole, deduct from the total tax the tax being deducted at the source and then pay the remaining tax due in four quarterly installments: 25% on March 31, 25% June 30, 25% Sept. 30 and 25% on Dec. 31. If you have overpaid or underpaid you can make adjustments when you make your return for April 30.

ANNOUNCEMENT

**L. I. STORMER**

**C. E. HARTLINE**

**L. E. WEIR**

**B. E. McGUIRE**

Stanley H. Young, President of Christie's Bread, Limited, and Christie, Brown and Company Limited, announces the retirement of Lloyd I. Stormer as Vice-president-Finance and Secretary-Treasurer and that, at a meeting of the Board of Directors, the following were elected as officers of the Company: Calvin E. Hartline, former Controller as Vice-President-Finance; Lloyd E. Weir, former Assistant Controller, as Controller; Basil E. McGuire, former Accountant as Secretary-Treasurer, John D. Rohring, former Assistant Treasurer as Assistant Secretary-Treasurer; and J. Stewart English, former Administrative Assistant, as Assistant Controller. The new appointments take effect on February 1st.

## GREAT-WEST LIFE RECORD OF PROGRESS

**Expanded services now cover 710,000 policyholders in Canada and United States**

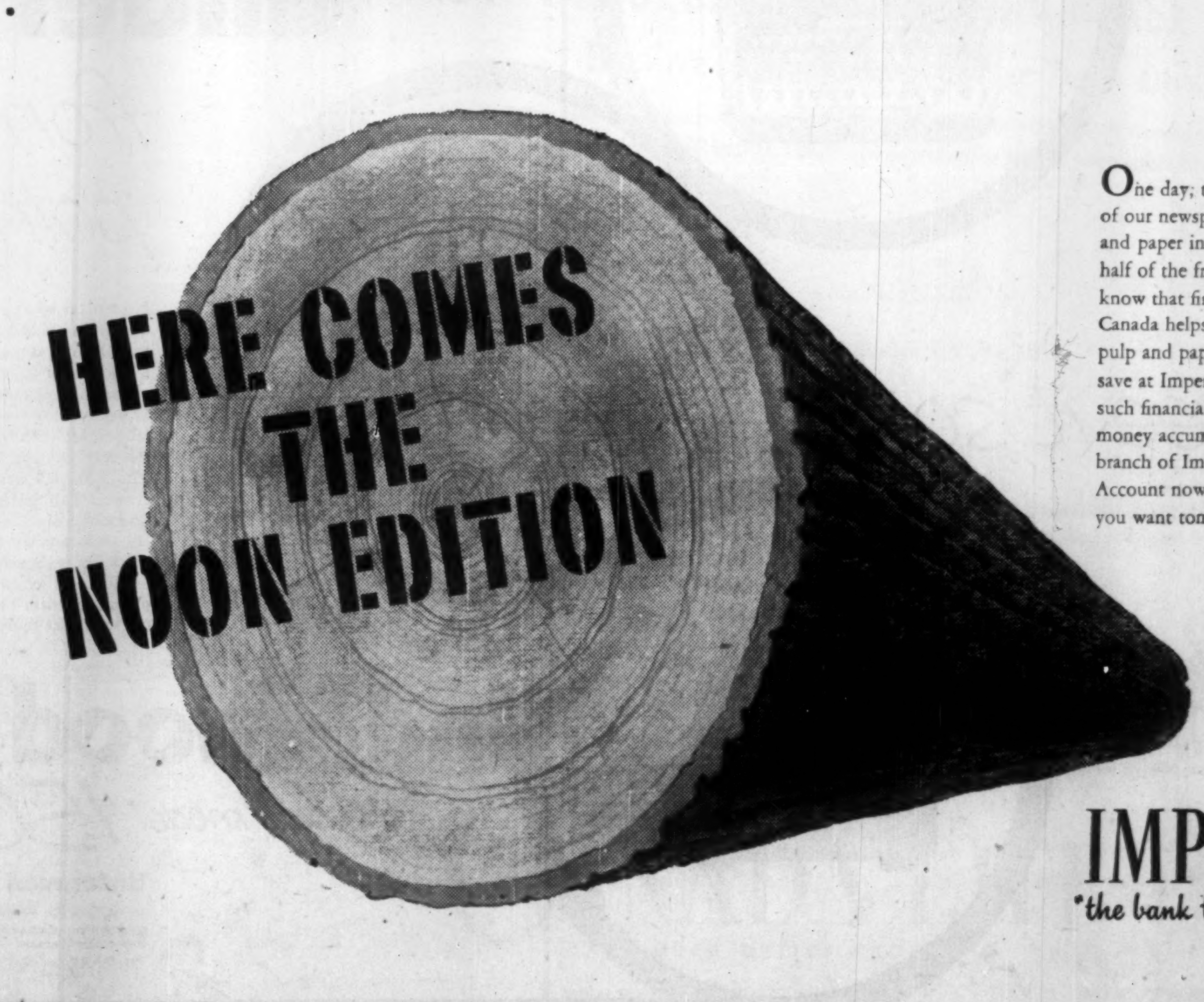
There was marked progress in all phases of the Company's operations during 1954. New business (which included the Company's share of the United States federal employees' group plan) was up 26%. The net rate of interest earned on all investments was 3.93%—an increase over the previous year. The Company now administers 2,500 group welfare plans covering 300,000 employees. Accident and Health premium income increased 24%.

The following comparative figures illustrate the Company's growth during the past year:

| | 1954 | 1953 |
|---|---|---|
| Insurance and Annuities in Force | $2,685,000,000 | $2,370,000,000 |
| New Insurance and Annuities | 393,000,000 | 313,000,000 |
| Assets | 513,900,000 | 477,000,000 |
| Liabilities | 485,000,000 | 452,000,000 |
| Capital, Contingency Reserve, and Surplus | 27,900,000 | 25,100,000 |
| Paid or Credited to Policyholders and Beneficiaries | 77,000,000 | 68,800,000 |
| Accident & Health Premium Income | 14,700,000 | 11,800,000 |

THE
GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE - WINNIPEG, CANADA

"EXPORT"
CANADA'S FINEST
CIGARETTE


HERE COMES THE NOON EDITION

One day, this tree will be the noon edition of one of our newspapers, thanks to Canada's vast pulp and paper industry, which, today, supplies more than half of the free world's newsprint. But did you know that financial assistance from Imperial Bank of Canada helps to further the development of our pulp and paper industry? It is the money you save at Imperial that enables the Bank to provide such financial assistance, and, at the same time, your money accumulates interest for you. Call in at any branch of Imperial and open your own Savings Account now . . . and save today for the things you want tomorrow.

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# Ford Is Ready for the Big Race

## *Here's What Strike's End Means to All*

**By Jack McArthur**

The Fords are coming.

Into this four-word, five-syllable phrase are packed volumes of meaning for the auto industry, Canadian labor in general, the CIO-CCL United Auto Workers in particular, the nation's 5,000 auto dealers and its car-buyers.

People in all these groups this week carefully re-examined their positions and prospects following last week's settlement of the 109-day, 9,000-man Ford of Canada strike.

Said a Ford official: "We're going to produce like hell."

And a Ford dealer: "Just what we needed."

Top UAW negotiator during the last five weeks of the strike, Emil Mazey of Detroit, commented: "A definite union victory."

And Ford President Rhys M. Sale: "A fair trade."

Canadian labor leaders joined Mazey in claiming a breach in management's 1954 decision to hold the wage line. But Ford could point out—although it did not—that it won some significant concessions.

Doing no talking were Ford's automaking competitors. But the facts Ford production lines are beginning to roll — first new Ford model was expected this week — and that Ford's contract runs until June 1, 1956, meant plenty, particularly to General Motors and Chrysler.

Ford probably will reach volume production in from three to six weeks, continue to produce new cars at top speed.

There will be few production hitches. Many Ford suppliers have good inventories ready to move at a moment's notice, the result of decisions to produce during the Christmas period. This production was a Christmas present to laid-off employees.

There will be some employee training, since Ford has lost some of its workers. But the number of these is believed quite small. Comparatively few, for instance, are working at Chrysler.

Here, broken down, is the probable significance for interested groups:

### *Ford*

After more than a year of bitter opposition to union demands, Ford's decision to concede an 11.25c hr. wage package surprised many labor observers.

Part of the explanation was that Ford got much-valued rights to economize with shorter work weeks, changes in the seniority and job posting. These could save the company as much as $400,000 yearly.

| **Union Asked:** | **Ford Offered:** | **The Settlement:** |
|---|---|---|
| Originally, 30c hr.; before the strike, 4c | Originally, 4c; later withdrawn | 4c effective June 15, 1955 |
| First, nation-wide bargaining; then, Ontario-wide bargaining | Ford opposed these demands | One agreement covering Windsor, Oakville, Etobicoke |
| Continuance of minimum 40-hr. week | Right to reduce work week in slack periods | Ford can cut to 32-hr. week for up to six weeks |
| No lessening in seniority | Lessening of seniority rigidities | Seniority changes to hike efficiency, cut costs |
| Incorporation of living cost bonus in pay | Agreed | Incorporation of bonus |
| Three-week vacation after 15 years | Agreed | Three-week vacation after 15 years |
| Wide hospital, medical coverage | Some extensions of coverage | Wider hospital, medical coverage |
| Another statutory holiday, making seven in all—an auto industry high | Agreed | Another statutory holiday |
| Life insurance for pensioners | Opposed | Life insurance for pensioners |
| Union shop | Subject to negotiation | Modified union shop |
| One umpire for grievances | Opposed | Permanent panel of arbitrators from which to draw umpires |
| Allow worker to move with job if job moved | Subject to negotiation | Allow worker to move with job |
| No change in job posting | Lessen posting rigidities | Modifications easing dislocation in moving workers |
| Higher call-in pay | Agreed | Boost call-in pay from three to four hours |
| Wide apprenticeship plan | No change | No change |
| Overtime on a voluntary basis | No change | No change |

But more important was the timing of the new agreement. Ford now has an agreement which runs to mid-1956. Meanwhile, Chrysler is still under the union gun (might settle on the Ford pattern) while GM negotiations, soon to begin, likely will feature a UAW demand for the guaranteed annual wage.

Too, Ford—if it hasn't lost too many sales—will be able to run production at top speed. This is more economical than producing at a slower pace.

Laborwise, there was a chance that the apparent good humor in which the negotiations ended boded well for future union-Ford relations.

### *GM, Chrysler*

Chrysler is in a delicate position. UAW refrained from precipitating the situation at Chrysler while Ford was struck. Now, the union will want a settlement comparable to that at Ford.

Chrysler can't afford a strike now. With 9,000 employees (more than ever before) turning out Chrysler products at a record pace, the company is making a nerve-straining attempt to regain its old position in the auto market. With some success, according to reports (The Post, Jan. 22).

Both Chrysler and GM, who have reported fairly good sales of 1955s, now will have to re-evaluate the market in view of the certainty that Ford soon will launch a big advertising wallop and appears likely to regain production pace more rapidly than once expected.

### *Labor*

What credit there is on the labor side goes not to the Canadian officials of the UAW, but to Emil Mazey of Detroit, the hustling secretary-treasurer of the UAW International. He was easily the dominant labor figure, especially with Canadian Director George Burt ill during much of the negotiation period.

Although there was some union grumbling at the length and cost of the strike ($11 millions lost in wages, more than $1 million spent by the union), it appeared most UAW members weren't complaining. They got gains which may be worth $2.5 millions annually.

One of the reasons Ford settled for an 11.25c package was the improved 1955 business climate.

For this same reason, unions will take their cue from the Ford contract, and push for bigger increases than the ones they got last year. Most 1954 contracts gave wage and benefit improvements worth from nothing to 8½c hr.

### *Dealers*

For some Ford dealers, the strike was beautifully timed. It allowed them to clear over-large used car stocks and give an extra sales push to British Ford models.

But many had to lay off employees because of slack business. These were busy this week rebuilding their staffs.

For a good many weeks, of course, Ford models are going to be rationed to ensure each dealer gets a fair share. But there'll soon be enough to ensure that Ford dealers will be operating at full speed by the time sales begin their annual spring pickup.

Dealers for other companies were readying for tougher competition. Some, however, weren't unhappy to see the Ford strike end. They felt the absence of Ford models for customer comparison was throwing a pall over all auto sales.

### *Consumers*

Canadian purchasers within a few weeks will be seeing the new Ford models with the knowledge that delivery dates aren't too far off.

The 1955 models incorporate wrap-around windshield, scooped out grill, hooded headlights, swept back front fender, tubeless tires, more power and luxury, new V-8s.

A Ford ad this week splashed the news: "1955 Fords, Meteors, Mercurys and Monarchs are on the way," and salesplugged: "The greatest array of style-setting models and the widest selection of all-new colors and thrilling features in all Ford of Canada history."

Timed with the appearance of the new cars, consumers would soon be getting a lot more of this kind of advertising.

All these factors are important. But this week the biggest question was:

Can Ford maintain its place in the auto market? If the strike has hurt sales for any length of time, both workers and company could be losers.

# 1955 Paint Sales May Equal Peak

Prospects for paint sales in 1955 are "reasonably good," Eric L. Barry of Canadian Paint Varnish & Lacquer Association states.

Volume of construction of all types is forecast as being as high if not higher than last year. Given good weather, trade sales should climb back to the 1953 peak.

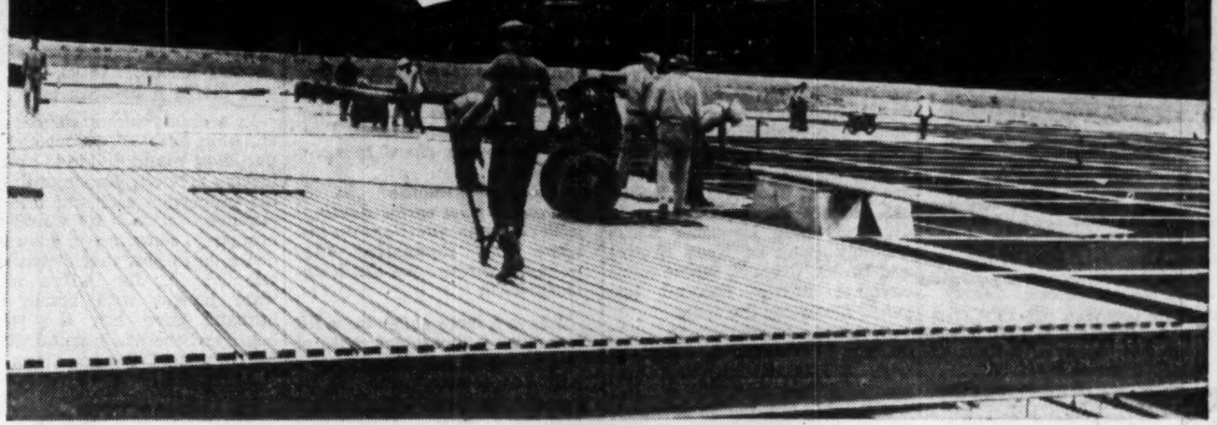
Paint sales for 1954 will be the third largest on record. They are expected to approximate $100 millions as against the 1952 total of $103 millions, and 1953's $110 millions.

Trade sales (all paint products normally sold to dealers, painters, and maintenance accounts) to end of October declined by 3%, from $56,439,877 in 1953 to $54,660,207. Sales figures for latex emulsion paints (included in this category) increased from $6,161,646 to $6,656,500.

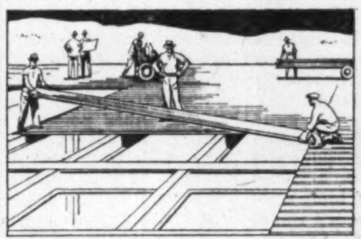
Industrial sales of protective coatings to end of October declined by nearly 7%, from $34,446,645 to $32,462,772. Decrease in this field stems from decline in volume of production of manufactured items requiring protective coatings. Some, but not all, of the lost ground should be regained in 1955, it is said.

Competition will certainly be keener in 1955, aggressive selling more necessary. On an over-all basis, raw materials will cost the paint industry more in 1955.

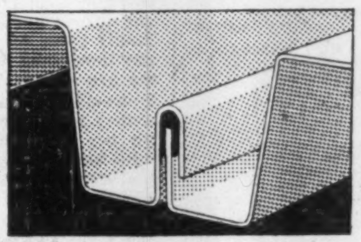
Design with *New* Robertson
MULTI-SPAN*
Q-DECK



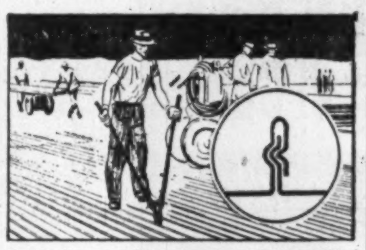
*Multi-Span Robertson Q-Deck is roll-formed in lengths up to 30 ft. Q-Deck Sections 2 feet wide, 1½ inches deep, with flutings on 6-inch centres, assure maximum strength per pound of steel. They are available in metallic coated steel from 22 to 12 gauge for a wide variety of design requirements. Robertson Multi-Span Q-Deck is clean, dry, quick construction.



Q-Deck design provides for longer spans than "short-length" steel deck, due to increased stress and deflection coefficients.



Q-Deck's tight, smooth side laps form a standing seam; and the ends produce a tight 2-inch lap joint.



Q-Deck provides complete lateral distribution of loads since side laps are clinched at 3-foot centres by a special clinching tool.

Robertson
Q-DECK
manufactured by ROBERTSON-IRWIN
LIMITED
411 Parkdale Avenue N., HAMILTON, ONTARIO
MONTREAL TORONTO HAMILTON WINNIPEG EDMONTON VANCOUVER

Robertson ROOF DECK

Write for descriptive catalogue

54-53N

(Advertisement)

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TFP-129

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INCORPORATED BY ROYAL CHARTER 1727

HEAD OFFICE
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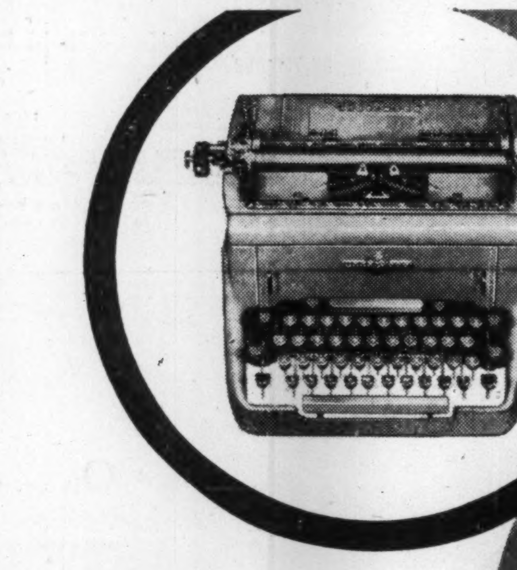
Branches throughout Scotland
and in London
CORRESPONDENTS THROUGHOUT THE WORLD
TOTAL ASSETS
£170,581,433
$474,216,384



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from any
point of view

No matter what you're looking for in a typewriter,
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You'll like the new Color Control Keyboard . . . the
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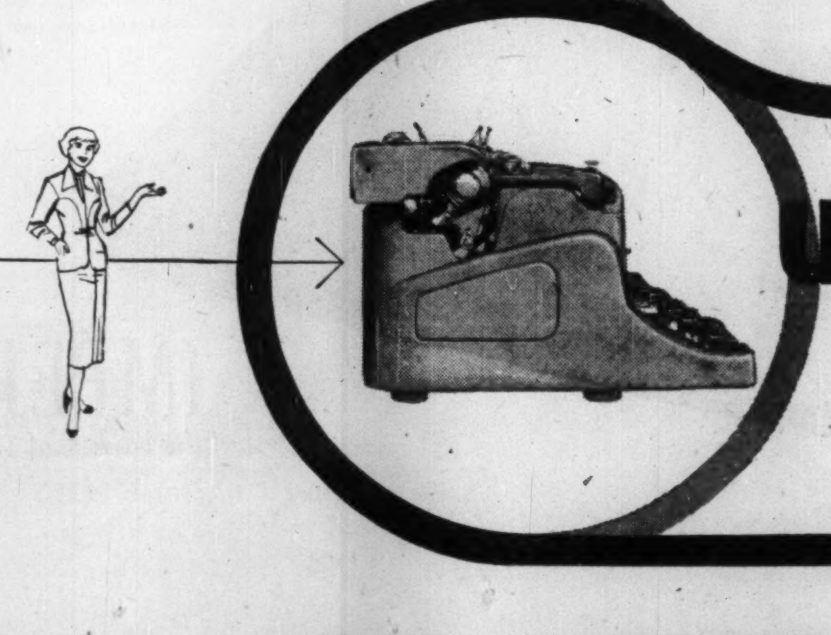
branch will arrange a no-obligation trial, just as soon as you
phone or write. Do it, soon . . . and start enjoying these
features that make for brighter working days.

see it soon



Underwood
the new model 150 with personal touch

Underwood Limited
IN TORONTO: UNDERWOOD BUILDING—135 VICTORIA ST.
Typewriters—Carbon Paper, Ribbons and Supplies—Adding Figuring Machines
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COMPANY-OWNED BRANCHES AND SERVICE IN ALL CANADIAN CITIES

UNDERWOOD—TYPEWRITER LEADER OF THE WORLD—OUTSPEEDS—OUTWEARS—OUTSELLS THEM ALL

ANNOUNCEMENT

**J. STANLEY BROWN, C.L.U.**

who has been appointed Assistant Superintendent of Agencies in Canada for the Metropolitan Life Insurance Company. He became associated with the Metropolitan in 1934 as an agent in Fort William and served in various positions of increasing responsibility, just recently being manager of the company's Vancouver District Office.

# Toronto-Dominion Bank Plans Branch in Regina

Canada had a new billion-dollar bank this week, when Ottawa gave its formal approval to the amalgamation of the Bank of Toronto and Dominion Bank.

First new branch of Toronto-Dominion Bank will be opened later this month in Regina. Construction of other new banking offices at four or five points in the Maritimes and Western Canada is under consideration, President A. C. Ashforth told The Post.

Formal approval of the amalgamation by the Governor-in-Council was given on Tuesday, 84th anniversary of the opening of Dominion Bank. Discussions leading to the merger began about a year ago, and a revision to the Bank Act proclaimed July 1 made it possible for the banks to merge without the sale of one's assets to the other. Shareholders of both banks approved amalgamation in December.

Toronto-Dominion now has assets of some $1,150 millions, making it Canada's fourth largest (Royal, Montreal and Commerce are bigger; Nova Scotia is fifth largest.) It would rank 22nd on a list of the largest banks in the U. S. and Canada.

The new bank has 451 branches across Canada, in every province except Prince Edward Island and Newfoundland. There is one branch in London and one in New York.

"It is not anticipated that any branches will have to be closed immediately as a result of overlapping of territory," said President Ashforth and General Manager William Kerr in a joint statement.

"Present loan arrangements continue unchanged. All existing transactions remain valid, as well as cheques, money orders, travelers' cheques, letters of credit and other directions issued upon or by the amalgamating banks.

"Pass books, cheque books and other forms of the Bank of Toronto and the Dominion Bank will continue to be used for the time being. New forms will be introduced gradually as present supplies are exhausted."

Head office will be at the former Bank of Toronto head office at King and Bay Sts., Toronto. Executive offices will be there, with other departments divided between the head office and the former Dominion Bank head office at King and Yonge Sts.

The merger is the first fusion of Canadian banks since 1931, although 12 took place between 1917 and 1931. Bank of Toronto operations began in 1856, Dominion Bank in 1871.

**SOL EISEN**

PENSION CONSULTANT
INSURANCE COUNSELLOR
BUSINESS INSURANCE

THE CANADA LIFE ASSURANCE COMPANY
330 UNIVERSITY AVE. EM. 8-7432

Since 1936 specializing in designing, installing and servicing employer-employee benefit and pension plans.

Author of booklet on "Pension Planning."

# Life Sales Up 2.8% In 1954

Canadian purchases of new life insurance last year totaled $2,690.1 millions. This was 2.8% higher than the 1953 total of $2,617.3 millions.

An 8.6% rise in sales of ordinary insurance more than offset decreases of 5.7% and 16.7% in sales of industrial and group life plans.

In December, life insurance sales were $272,276,000, an increase of 20.9% over the December, 1953, total of $225,246,000. December sales included $194,576,000 ($178,846,000 in 1953) ordinary, $1.5 ($14.3) millions industrial, and $66.2 ($32.1) millions group. December sales were higher this year in all provinces except Manitoba, Saskatchewan and Alberta.

Here is the record for December, as compiled by the Canadian Life Insurance Officers Association:

**ORDINARY LIFE INSURANCE SALES**

**By Provinces**

| December: | 1954 | 1953 |
|---|---|---|
| | ($000) | |
| Alberta | 13,934 | 14,981 |
| British Columbia | 20,112 | 15,929 |
| Manitoba | 8,639 | 9,399 |
| New Brunswick | 4,116 | 3,468 |
| Newfoundland | 1,381 | 1,311 |
| Nova Scotia | 5,379 | 4,643 |
| Ontario | 80,535 | 75,996 |
| Prince Edward Island | 721 | 577 |
| Quebec | 53,456 | 45,800 |
| Saskatchewan | 6,303 | 6,742 |
| Total Ordinary | 194,576 | 178,846 |

**By Months**

| | 1954 | 1953 |
|---|---|---|
| January | 150,770 | 145,490 |
| February | 160,225 | 158,366 |
| March | 187,197 | 172,537 |
| April | 174,916 | 160,737 |
| May | 179,294 | 158,621 |
| June | 187,233 | 174,623 |
| July | 179,918 | 165,768 |
| August | 157,092 | 139,782 |
| September | 156,296 | 136,245 |
| October | 171,400 | 158,609 |
| November | 203,750 | 185,883 |
| December | 194,576 | 178,846 |

**Summary—1954 Sales**

| | 1954 | 1953 |
|---|---|---|
| | ($ millions) | |
| Ordinary | 2,102.7 | 1,935.4 |
| Industrial | 165.9 | 175.9 |
| Group | 421.5 | 506.0 |
| Total | 2,690.1 | 2,617.3 |

# Great-West '54 Sales Up $80 Millions

Great-West Life Assurance Co. issued $393 millions in new life insurance and annuities in 1954, an all-time high and $80 millions greater than the 1953 total. Business in force at Dec. 31, 1954, was $2,685 millions, up from $2,370 millions a year earlier. Assets were valued at $513.9 millions, an increase of $36.9 millions on the year. Net interest earned rose to 3.93% from 3.76% the year before.

In the accident and health branch, premium income was $14.7 millions, compared with $11.8 millions in 1953.

## NOTICE

is hereby given that Certificate of Registry No. C 1554 has been granted to The London & Lancashire Insurance Company Limited of London, England, by the Dominion Insurance Department, authorizing it to transact in Canada the business of:—
Fire Insurance,
Aircraft Insurance,
Automobile Insurance,
Earthquake Insurance,
Explosion Insurance,
Falling Aircraft Insurance,
Inland Transportation Insurance,
Limited Hail Insurance,
Personal Accident Insurance,
Personal Property Insurance,
Real Property Insurance,
Sprinkler Leakage Insurance,
Windstorm Insurance,
and, in addition thereto,
Impact by Vehicles Insurance,
Water Damage Insurance,
and
Weather Insurance,
limited to the insurance of the same property as is insured under a policy of fire insurance of the company.

DOUGLAS A. McRAE,
Chief Agent.

## YOUR INSURANCE PROTECTION

FIRE
AUTO
CASUALTY

By VINCENT EGAN

A new type of package policy for Canadian home-owners has finally been wrapped up, and price tags are now being written for it.

The 'householders' comprehensive policy was approved in principle in December by the Dominion Board of Insurance Underwriters, an association of fire and casualty insurance companies (The Post, Dec. 18). But some member companies still had to be sold on the idea.

The selling job has now been completed, and territorial organizations of "Board companies" throughout Canada are working out the local rates and applications of the policies.

Next job, of course, will be to sell the homeowner on a package policy. But somewhat similar policies have been offered—apparently with a good deal of success—by one or two independent Canadian companies and by insurers in certain parts of the U. S. in the past year or two.

The comprehensive policy includes not only fire and the usual supplementary protection, but also insures against such risks as glass breakage, burglary, vandalism and malicious damage. Earthquake damage is excluded, but protection against water escape, windstorm and hail damage is broadened. Cost will be about 22% less than a home-owner would pay if he bought similar protection through separate policies.

### *Minimums Are Doubled For Manitoba Drivers*

An increase in minimum limits on auto liability insurance and an increase in maximum limit on payments from the Unsatisfied Judgment Fund, have been approved by the Manitoba Highway Safety Committee.

Minimum policies now available to Manitoba drivers are $10,000 public liability for injury to one person, $20,000 for injuries to two or more persons, and $1,000 property damage. Since 1932, these minimum limits had been $5,000, $10,000 and $1,000.

Maximum payments from the Unsatisfied Judgment Fund have also been doubled. New top limits are $10,000 for injury or death to one person, and $20,000 for more than one person.

### *Fruit Growers Plan Fire, Auto Mutuals*

Fruit growers in British Columbia want to set up their own mutual fire and auto insurance companies. Unanimously, delegates to the B. C. Fruit Growers' Association convention in Kelowna voted to seek enabling legislation at the current session of the provincial legislature.

The 3,800 fruit growers in the association have their own mutual hail insurance company, now five years old. E. A. Titchmarsh of Penticton, president of the hail insurance firm, said that it might take two or three years to establish the fire and auto plan, and declined to predict rates.

### *Toronto Agents Step Up Advertising*

Bert F. Walters, insurance broker, has been elected president of the Toronto Insurance Agents Association, a group representing 200 fire, auto and casualty agents. A director of the association for several years, Walters was first vice-president last year. Rae Hearne and William Case were named vice-presidents for the current year.

The association plans to launch an institutional advertising campaign during 1955, to improve relations between agent and client, and between agent and company. Another innovation this year is a one-day sales congress for members, being held March 4.

### *Home Will Insure Aircraft Hulls*

Home Insurance Co. will participate in the writing of aircraft hull insurance through membership in the Canadian Aircraft Insurance Group. Its entry into the group has been announced by T. A. Wheatley, vice-president of Canadian Aviation Insurance Managers Ltd.

Home earned premiums of $2.2 millions in fire insurance in 1953, and writes many other types of insurance. Its entry into aircraft hull insurance, however, is its first venture in this field.

**REG. C. ELLIS, C. L. U.**

*Specializing in Term Insurance Plans*

OCCIDENTAL LIFE INSURANCE COMPANY OF CALIFORNIA
80 Belsize Drive TORONTO 7 MA. 9800

to gain your confidence

Few business relationships are more intimate than those of a man and "his trust company". In order to render a thoughtful and skilful service in matters as personal as the welfare of his family, the trust company must justify the kind of confidence that reveals both a man's aspirations and his expectations.

For this reason the selection of a trustee for his estate is one of the most important decisions any man is called upon to make on behalf of his family.

We would appreciate the opportunity of demonstrating to you that we understand those responsibilities.

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*Company*

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In London and Southwestern Ontario

People Who Buy HOMES...

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Over 90,000 DAILY!

*Ontario's Only Morning-Evening Combination*

wood *traditionally finest*

BETTER FURNITURE IS MADE OF WOOD!

Each Prestonia Office Suite has been designed for fine styling, dependable construction and the efficiency to give lasting satisfaction for its owner. Prestonia Furniture matches distinctive office interiors best.

Rich, beautifully designed furniture for executives who demand the finest in traditional office suites.

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Dual purpose furniture for executives and general office with a complete line of general office equipment to match throughout.

Preston-Noelting
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STRATFORD - ONTARIO

*Prestonia*
OFFICE EQUIPMENT

14TH CONSECUTIVE YEARLY INCREASE IN NEW BUSINESS

Business In Force Over Two Billion Dollars

More new life insurance protection was arranged in 1954 with Canada Life, than in any year since the Company was established in 1847. Here are some of the highlights of our 1954 Financial Statement:

| | 1954 | 1953 (on comparable basis) |
|---|---|---|
| Paid to Policyholders and Beneficiaries | $ 32,162,000 | $ 29,546,000 |
| New Business issued and paid (Life Insurance $233,487,000—Annuities $33,539,000) | 267,026,000 | 257,116,000 |
| Business in Force (Life Insurance $1,856,543,000—Annuities $280,743,000) | 2,137,286,000 | 1,934,043,000 |
| Assets | 478,292,000 | 447,362,000 |
| Net Interest Earned | 4.16% | 4.01% |
| Surplus Funds | 27,095,000 | 24,571,000 |

Canada Life policyholders and beneficiaries received over $32 million in benefit payments during the year involving:

250,000 policy dividend allotments.
96,000 annuity payments.
18,000 accident and sickness claims.
9,000 policies matured as endowments or by surrender.
3,200 death claims.

*The* CANADA LIFE *Assurance Company*
HEAD OFFICE - TORONTO

*ENJOY LIFE TODAY WHILE SAVING FOR TOMORROW*

**CONSTRUCTION TRENDS** By HARLEY POTTER

# Too Many Dud Students Say Ontario Architects

Something should be done to stop youths with no aptitude from entering architectural courses. That is the recommendation of the Ontario Architects' Association's education committee.

One third of those who enter the School of Architecture at University of Toronto find the going too tough and drop out in the first year. Over half fall out in the first year at Ryerson Institute's school in architectural drafting.

The committee finds "very few students, even including those who succeed, have any idea of what they are in for when they start."

"Those who because of mental shortcomings have been spoon-fed in secondary schools and have relied upon intensive cramming of memorized texts to scrape through examinations, are totally unprepared for more advanced schooling. Others discover they are temperamentally unfitted for architecture as a career and lose interest almost at once."

The committee recommend a vocational guidance pamphlet on architecture for distribution to secondary school teachers and the public.

"It should also stress the fact that the profession of architecture requires qualities of character and proficiency in mathematics and the sciences such as are required of few other callings, and that architecture has no place for the long-haired intellectual, the aesthete or the dilettante, but is something in which all round ability is a prime necessity.

Architecture, like law and medicine, requires top students, the committee points out. Secondary school teachers must be shown it is "not just a last choice to be made for those whose preferred avocation is making of linoleum cuts in the art class."

The committee urges that every applicant for entrance into an architectural course should undergo a pre-registration test for aptitude, attitude, scholastic ability.

If he failed, there would be no legal way to keep him out of an architectural course. But it would constitute a warning which in most instances would be heeded.

* * *

### *"50 Years on Tracks" Tells Crawler Story*

The world's first practical track-type tractor was tested on Nov. 24, 1904.

The manufacturer was one of the two predecessor companies of Caterpillar Tractor Co.

Caterpillar is marking its fifty-first year of crawler-tractor manufacture with a 115-page illustrated history of the crawler tractor and the company, "Fifty Years on Tracks." There are more photographs than text in the high-quality production. The story starts with the big steam tractors of the precrawler era and comes right up to a 1954 contest for the oldest operating crawler tractor in use.

A Holt "60" made in 1914 and still clearing and plowing new land in Alberta was a runner-up. But since age alone was not the deciding factor, first prize went to a Holt "75" bought in 1918 and now operating 100 days a year on California grain farms.

M. J. FOLEY

**elected chairman western division, Canadian Pulp and Paper Association, is executive vice-president, Powell River Co.**

# $3 million Program For Cdn. Oil Cos.

A $3 million expansion program now under way at the Sarnia refinery of Canadian Oil Cos. will boost refining capacity to the 30,000 b/d rate by 1957 (now 22,000 b/d).

The new program will include a carbon monoxide steam generator—first of its kind in Canada. The $400,000 installation will recover more energy in steam form by further burning of "cat cracker" regenerator gas.

Further reduction of waste materials, complying with International Joint Commission requirements, is "paramount" in the expansion program, W. Harold Rea, Canadian Oil Cos. president states. "We are quite aware of atmospheric and water pollution problems and wish to co-operate to the fullest with all international and local conservation authorities," he said.

The 1955 projects also will include improvements to the crude oil unit. Another crude heater will be added to increase the crude running capacity. It is expected this capacity will increase to more than 25,000 b/d by early next year. When refinery was built in 1952, its original capacity was 20,000 b/d.

"This program was planned to give us more operational flexibility and to keep us a step ahead of present day demands and claims in the petroleum industry," Mr. Rea states.

**BRITISH COLUMBIA POWER CORP.** has issued an additional 1,800 common shares at $16.025 per share to certain officials of the company and its subsidiaries. There are 3,170,980 shares now outstanding.

# Belgian Firm Branches Out With Alberta Cement Plant

MONTREAL (Staff) — Sogemines Ltd., the Canadian investment firm backed by Belgium's biggest company, is moving fast to create an industrial-mining "empire" in Canada.

—Late in 1954, it purchased a large minority interest in Brunswick Mining & Smelting Corp.

—Last week, financing arrangements were completed for a new cement plant at Edmonton.

These two projects are only the forerunners of others, The Post is told. In the industrial end, several possible ventures are now being examined carefully. And mining exploration in partnership with Rio Tinto Ltd., of London, is being pushed.

A new firm called Inland Cement Co. will own the $7 million cement plant. Inland will be controlled by Sogemines Ltd. and its affiliated and associated companies. Major shareholders of Sogemines, in turn, include a group of Belgian companies, under the leadership of the giant Societe Generale de Belgique which owns a 39.8% interest.

**Shares Offered**

Last week, a group of dealers headed by W. C. Pitfield & Co. offered publicly 300,000 $10 par preferred shares of Inland, at $10 per share flat. Another 300,000 shares have been placed privately at par in Canada and Belgium, for a total of 600,000 shares and $6 millions. The stock was reported to be trading at $12 a share on an "if, as and when" issued basis on the over-the-counter market at mid-week.

The type of issue is similar to that sold publicly in 1953 by Canadian Petrofina Ltd., the Belgian-backed oil company now building a refinery in Montreal East. The shares are entitled to a 6% non-cumulative preferential dividend. After 6% in any one year has also been paid on the ordinary stock, both classes will share further dividends for that year in proportion to their respective par values. Shares of each class will have one vote apiece.

Other Inland financing includes private issue of $2 millions of ordinary stock. Of the total net proceeds, about $7 millions will finance the cement plant and site, limestone and clay deposits and related facilities, while $1 million will go for general corporate purposes.

**Western Canada Outlook**

The cement plant, with a capacity of 800,000 bbls. annually, is scheduled for completion by mid-1956. It should sharpen competition in Western Canada.

Inland figures things this way:

Consumption of cement in Alberta and Saskatchewan rose from 1.3 million bbls. to 3.5 million bbls. 1946-53, an increase of 170% compared with an all-Canada gain of over 100%. Present capacity in these two provinces is not enough to meet demand, and annual shortages occur during the peak construction season, despite high-cost imports. Based on "conservative" estimates demand should reach over 4.8 million bbls. by 1961. Therefore the new plant "will be in a favorable position to operate and compete successfully and profitably in its market area."

Engineering design, supervision of construction and initial operation will be handled by Cimenteries & Briqueteries Reunies, S.A. of Brussels, an affiliate of Societe Generale. C.B.R., as it is known, itself has an annual cement capacity of 12 million bbls. in Belgium.

Inland will be able to make several special type premium cements not presently manufactured in Alberta. These include oil well cement, cement for construction in acid and sulphate water, and cement requiring high early strength.

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Sogemines, which will be the biggest single shareholder, was formed in 1951. Management of Societe Generale had decided that Canada was an ideal place for investment and export of industrial know-how, and Sogemines became the financial bridgehead in this country. Its aim was to invest —alone or with others—in new projects, and to provide technical skills.

**Mining and Industrial**

Since then, efforts have been channeled into direct participation in two types of venture: non-ferrous mining and industrial. The parent group, for instance, includes the two biggest lead-zinc smelters in Belgium, using concentrates from all over the world. Thus interest was keen in finding new metal deposits to furnish supplies.

Sogemines is approximately an equal partner with Rio Tinto Ltd. in backing Rio Canadian Exploration, active for two years now and which recently optioned ground in New Brunswick five miles west of Brunswick Mining & Smelting's Anacon orebody.

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CHARLES M. MILLER

Charles M. Miller, whose appointment as Vice-President in charge of Production and Development of Osmose Wood Preserving Co. of Canada Limited and of its paint division, Protective Coatings Limited, has been announced by John H. Kroeger, President. Mr. Miller has been connected with these companies for ten years and the paint and allied industries for some twenty years. He is a past president of the Montreal Paint and Varnish Production Club and served on various government and industrial committees pertaining to paint and paint specifications. During World War II, Mr. Miller was Secretary of the Paint Technical Advisory Committee to the Department of Munitions and Supply.

## U. S. $ Value in Canada

Daily at Noon as Reported By
The Bank of Canada
Week Ended Jan. 28, 1955

| | | | |
|---|---|---|---|
| Mon. | .96 19/32 | Thurs. | .96 19/32 |
| Tues. | .96 19/32 | Fri. | .96 24/32 |
| Wed. | .96 19/32 | Ave. | .96 20/32 |

# LETTER FROM LONDON

### By Adelphi

LONDON—No one in London is sorry to see January disappear and February take its place. By that I do not mean that London in February is exactly a winter paradise, but at least the mugwump winter is on its way out.

Actually the sun is shining at the present moment, or perhaps I should say that the sun is visible in the sky, looking rather like a pale slice of lemon.

However, there are lots of things going on to take our minds off the calendar. Parliament has resumed and to show that it has lost none of its high spirits it staged, in its first week, an all-night sitting and a riot in Parliament Square.

It was the peace-loving Communists who organized the demonstration in the square as a protest against America's attitude toward Formosa. To the Communist mind all things are clear. Therefore it is perfectly proper for Communist China to attack the islands that guard the approach to Formosa, but utterly wrong for America to say that it will protect Chiang Kai-shek's tight little island.

* * *

### *First Chamberlain —Now Eisenhower*

To be frank, the British Parliament is not particularly happy about President Eisenhower's ultimatum. The Socialist attitude as usual is founded on muddleheaded thinking mixed with good intentions. Having, some years back, denounced Neville Chamberlain as an appeaser they now denounce President Eisenhower for being a nonappeaser.

The Conservatives admire the forthright courage of President Eisenhower but feel that he could have couched his ultimatum in rather more ambiguous terms. Sir Anthony Eden, as a trained diplomat, would undoubtedly have preferred the President to have used UNO as the channel of communication.

* * *

At any rate the Communists laid siege to Parliament and the crowd that gathered was so big that the mounted police had to clear the way for M.P.s to reach the House. The police horses, which are perfectly trained for dealing with mobs, had a grand time but the whole affair supplied ammunition to the Left Wing zealots who are very touchy about the rights of extremists to interfere with the rights of the majority.

Mr. Speaker was duly asked for a ruling and he calmly answered that it was the duty of the police to keep an unimpeded passage for M.P.s reaching the buildings of Parliament. This brought a benign bow of approval from the cherubic Sir Winston Churchill who looked as if he would have liked to join in the fun outside.

* * *

### *Equal Pay For Women Is A Long Fight Won*

A deal with something of deeper import, Chancellor Butler announced that women employed in the Civil Service would have their pay augmented by an annual increase over a period of seven years until it reached an equal amount with male civil servants doing the same work.

This is a decision of great import, for obviously it will not be confined merely to women in the employ of the Government. And, in passing, it is a tribute to the patience and tenacity with which women have fought for this equality.

* * *

### *Commonwealth Troubles In Pakistan, S. Africa*

However, the British Parliament is never allowed to dwell for long on United Kingdom problems alone. Even if the British Empire is shrinking a bit its troubles never cease. It seems that loyal Pakistan may want to be a Republic within the Commonwealth. That is no great matter except in sentiment, although it is disturbing to see Pakistan following the device of Pundit Nehru.

But far more serious is the situation in South Africa where there is increasing resentment against criticism of its racial policy from so many British sources.

* * *

The London "Daily Mirror" is a lively tabloid which speaks its mind on everything from sex to politics. You may remember its front page cartoon "Whose finger on the trigger?" which probably lost the 1950 election for the Conservatives. Afterward Churchill sued the Mirror for libel and won his case, although he did not take the damages awarded to him.

The Mirror has a brilliant columnist who writes under the pen name of Cassandra. He is fearless, well informed and vital. Recently he has been visiting South Africa and, having just returned to London, he has fired a broadside of invective in his column which leaves nothing unsaid.

He could hardly have been more violent if he had been denouncing Hitler's Germany at the height of the war. According to him the South African Government and its supporters are determined to keep the colored majority of its citizens in everlasting subjugation and darkness.

### *Apartheid Hatred Keeps Out Investment*

Cassandra points out that this policy is bringing such hatred and disapproval of South Africa that British and American capital is neglecting an immense field of profitable investment and that no one visits there from abroad if it can be avoided.

I am summarizing the article for purposes of space but it is so violent in character that we shall be surprised if the South African Government does not make an official protest. If that happened even the adroitness of Sir Winston Churchill would be hard put to it to defend the freedom of the Press and, at the same time, the right of South Africa to govern itself according to its light — or darkness.

A mild parallel, in no way comparable in heat, would be if a British newspaper attacked the French Canadians for ensuring perpetual Liberal Government in Canada.

* * *

### *Election In June After The Budget?*

The London Stock Market is a bit jumpy but recovers quickly. It is not a good time for either the bulls or the bears, because of the unexpectedness of foreign affairs. On the other hand it is a happy period for the shrewd investor who puts his money in industries that are kept at full pressure in supplying an ever-growing demand plus a steadily increasing purchasing power.

I cannot tell you when the general election will take place but the rumors are for June after a favorable Budget.

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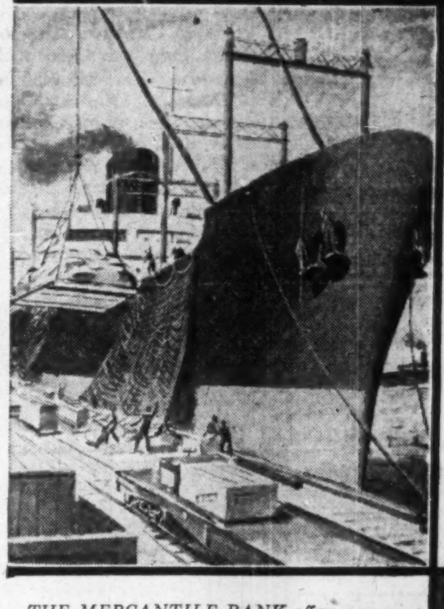

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1954 . . . $34,251,850.00

*Capital & Reserves*

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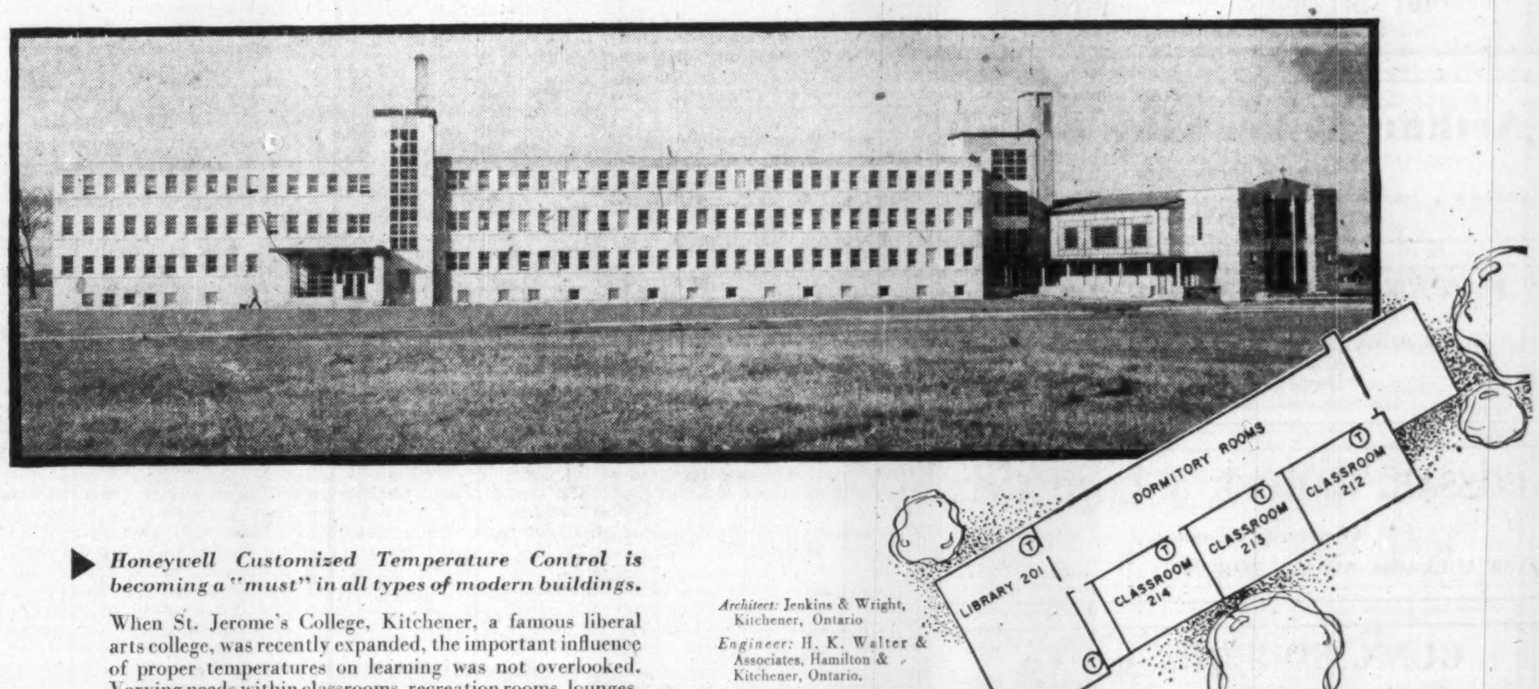

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Second floor plan of classroom building is typical and shows strategic placement of thermostat in each classroom.

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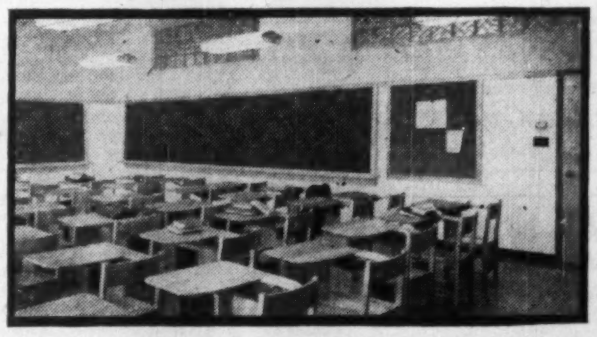
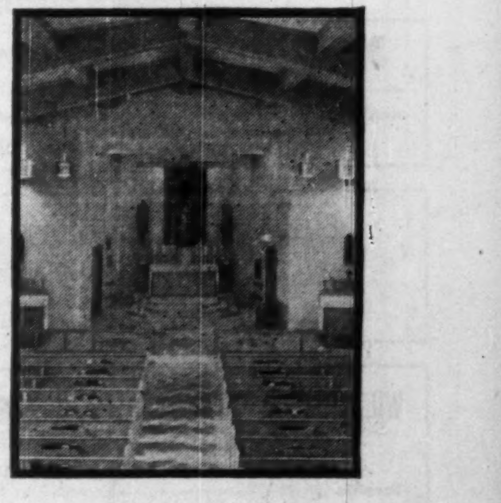


▲ *Heat is metered* to each classroom exactly as needed—by simply turning a dial. Not only does this help to keep students and teachers more mentally and physically alert but no heat is wasted!



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# Problems of the Electrical Industry

## Special Report Looks at Import Competition, Tariffs

***What has been the impact on Canadian manufacturers of electrical products of the postwar upsurge in European imports?***

***Would higher Canadian tariffs help meet the problems of the growing overseas competition? The Canadian Electrical Manufacturers' Association asked Prof. F. A. Knox, Head of the Dept. of Political Economic Science, at Queen's University, to analyze these questions. Here is a digest of his report:***

**By PROF. F. A. KNOX**

To conclude from the relative stability in the use of electric power even in times of business recession, that the manufacturers of electrical products suffer little in such periods and so need not worry much about rising import competition would be quite wrong.

Producers and industrial users of electricity are as irregular as most other industrialists in replacing machinery and equipment and in expanding their facilities. Moreover, they do not provide the major demand for electrical goods, perhaps not more than a quarter of it. Households, on the contrary, though they use but 12% of the electricity consumed, buy about 40% of the value of the output of the industry.

The demand for electrical appliances for the home is notoriously as sensitive to fluctuations in personal incomes and the business mood of the community as is the demand for most durable consumer goods.

### Import Competition

By 1953, import competition had reached record levels, being exceeded only by the year 1929. In the latter year imports supplied 25% of the total Canadian consumption of electrical products; by 1937 the percentage had fallen to 15%; by 1953, however, the percentage had risen to 23.7%.

Other evidence points in the same direction. Producers from abroad are setting up sales organizations here and getting an expanding share of current contracts.

To meet this competition Canadian producers of some electrical products have cut their prices drastically. If they succeed in meeting the threat of import competition, actual imports may not come to supply as large a percentage of the Canadian demand as they may for other products whose prices have not been cut as much; but the serious effects of the competition would be there just the same. As measured by the actual rise in the percentage of the Canadian demand supplied by imports two classes of electrical products, "heavy" apparatus and refrigeration equipment have suffered the most.

Though most of the imported machinery and parts thereof used in the generation, transportation and application of electrical power in Canada is imported from the U. S., the current increase in import competition in this field comes from the U. K. and Western Europe. It is from the United States, however, that Canadian producers have felt the import of mass-produced goods in quantity, a particular example of which is refrigeration equipment.

The electrical manufacturing industry in Canada is of course not the only industry to be meeting greater competition from abroad in the last few years, nor is the percentage of the local demand which imports fill as large for it as is true of some other industries. But for no other of the industries examined has the rise in the percentage been as steep as in the electrical field.

The ratio of imports to the value of electrical products made in Canada has risen by one third since 1949. That the impact of this increased competition from outside the country has not been as crippling as is true of some other industries, e.g. the textile industry, is due to the fact that both the decline in total Canadian demand and the growth of import competition came much earlier for textiles.

### Question of Tariffs

In an industry which has been as dependent upon tariff protection as has the electrical industry, the natural tendency is to find in recent tariff changes the main explanation of this increase in imports. The conclusion of our study is that tariff and other commercial policy changes are not the main cause of either the timing or severity of the increase in foreign competition in the Canadian market.

Just after the war foreign producers were too busy satisfying rising consumer demands in their own markets and modernizing their own plant and equipment to need to bother much about exports. Many countries during the postwar years imposed restrictions on imports to enable them to keep their international transactions in balance at rates of exchange higher than would have been possible in a free market.

This was particularly true just after the failure of the British attempt in the summer of 1947 to restore the full convertibility of the pound sterling. In Canada such restrictions on imports were imposed and continued during 1948 and 1949. The period of the scarcity of goods in world markets which resulted from these factors lasted longer than one might have expected it would from the much greater speed with which production revived after the Second World War than after the first. For this, the growing international tension, culminating in the war in Korea, is mainly responsible.

### World Competition

An immense expansion in world capacity to produce manufactured goods explains the speed with which the world goods scarcity was overcome despite the continuance of war in Korea, and the rearmament programs it stimulated. It is because of this growth in world manufacturing capacity as well as the eventual satisfaction of war-borne demands for consumer and producer goods in the domestic market, that foreign markets may now be supplied. A new severity of competition in world markets has thus become possible.

The disappearance of many of the goods and raw material producing regions of Europe behind the Iron Curtain accentuates the dollar problem of European countries by forcing a relatively greater reliance upon North America. Many countries have sought, therefore, by depreciating their currencies in terms of the dollar, to balance their international transactions through the consequent restriction of imports and improvement of their competitive power in export markets.

The new competitive power of British manufacturers is the most important case in point. In 1938 the average price of the pound sterling was $4.92. Before the severe depreciation of September 1949 it had fallen to $4.02; after it the Canadian price of the pound was $3.07. The subsequent return of the Canadian dollar to par and above has cut the Canadian dollar price of sterling to an average of $2.75 in the first half of 1954, or to 56% of the average level for 1938.

Since the rise of money wage rates in Canada and Britain over the same period of time has been roughly the same (by 320% and 327% respectively) it is now possible for a British manufacturer incurring the sterling equivalent of a Canadian dollar's worth of wage costs to cover the cost by receiving 56 cents. The Canadian manufacturer must still get $1.

For the British manufacturer of electrical goods this gain in competitive power is greater than that which would have been obtained by a complete removal of the present 15% Canadian tariff. Even for other European manufacturers the competitive advantage gained on many electrical goods through devaluation may be as large as, or larger than, that which would have resulted from the outright removal of the 22.5% tariff which now applies.

The recent, and unexpected, depreciation of the American dollar in terms of the Canadian dollar has increased the severity of the competition which the Canadian manufacturer must meet from the mass-produced goods of the U. S.

### Increase in Canadian Costs

Failure to realize the dimensions of the improvement of the competitive power of the British producer in the Canadian market which the depreciation of sterling has created has led some to attribute the new severity of import competition to high Canadian costs and prices for which even particular industries have been blamed.

High levels of investment spending in resource development, in our rapidly growing industries and in industries where there has been rapid technical improvement, has created directly and indirectly a heavy demand for labor in these industries which has been mainly responsible for a considerable rise in Canadian wage levels.

Our need to maintain export markets had led us directly to encourage imports from countries whose markets we are anxious to retain and at the same time to push vigorously for the restoration of multilateral trade through such international institutions as GATT and the International Monetary Fund and Bank.

We have lived up to the spirit as well as the letter of the GATT agreement while, for the moment at least, many other countries, have, because of balance of payment difficulties or protectionist views, imposed restraints on Canadian exports to their markets.

Among all the factors tending to increase import competition in the Canadian markets, the very high and rising level of spending in the Canadian market is perhaps the most important. The boom has been prolonged by a high level of exports, due in part to our postwar lending and export credits policy; by renewed government defense spending; by the natural resource development programs, which America's need for raw materials has stimulated; and, most of all, by the strong upward movement of spending by Canadian consumers out of the high and rising levels of money incomes which all this government and investment spending has initiated and sustained.

The effect of the inflow of American capital cheapens foreign products. To many capital-creating projects in Canada, foreign machinery and supplies are a necessity at almost any price as they are not made in Canada or not in sufficient volume. Perhaps even more significant is the fact that even when such products are bought in Canada, the demand for foreign materials and components is thereby increased.

For all these reasons it is inevitable that the "import-content" of Canadian spending should grow during such booms. It did so in our earlier development booms, 1900-1913 and in the 1920s; it is doing so again. The rise in the import-content of Canadian consumption does not necessarily impose, however, a reduction in the total demand directed to Canadian producers though it may sharply restrict the sales of some of them.

### Electrical Industry Expansion

In response to the market's growth and the urging of the government during the war and postwar scarcity of goods (especially during the restrictions in imports) the electrical industry has undergone a phenomenal expansion.

In such periods it is natural that some lines of production should be undertaken which are hardly likely to be maintained when competition is restored. Foreign competition, when it returns, imposes a reconsideration of production programs and methods likely to improve productivity in general and to result in the dropping of some lines of production altogether.

The advantage which the Canadian producer has always had because money wages in Canada are below those in the United States remains; but the amount of the advantage has become less. The disadvantage in other lines to which the Canadian producer has been subject because money wages in Europe were lower has, on the contrary been increased. Unless the Canadian producer is not only able to keep pace with improvements in productive efficiency made by his competitors in the United States and in Britain and other countries but also to improve productivity faster in the Canadian electrical industry than it is being improved abroad, these changes in money wages will increase the Canadian handicap and impose yet greater specialization in production to meet it.

Unless other factors offset this change in the relative money wages in Canada and other countries, the Canadian producer will therefore be forced to concentrate production on those lines in which his disadvantage is least. Should this occur, the "import-percentage" would probably be permanently higher.

Paradoxical though it may sound, most of the handicaps which the Canadian electrical industry has to surmount, in competing in the Canadian market with producers from other countries, arise, directly or indirectly, from the huge and rapidly changing production of electrical products by American electrical producers for their home market.

### The U. S. Influence

This paradox may be resolved by drawing four implications from the situation and trends of the production of electrical products in the U. S. American styles of electrical goods win a growing acceptance in world markets especially in dollar countries and particularly in Canada; the very large and growing American market makes it possible to produce most manufactured products there in plants of the right size to produce at the lowest unit cost.

Many Canadian producers in the electrical as in other industries were originally set up in this country as subsidiaries of American firms to manufacture not only for the Canadian market but for the whole market within the British preference tariff system. Though the ownership and management of most such plants has become more Canadian than it once was, connections with the parent concern are still close enough to bring to the Canadian producer, on favorable terms, the result of the research programs of the American parent concern.

He may also obtain the exclusive use of the machines in which the results of research by the parent concern in the United States are embodied. Important as these advantages undoubtedly are it is probably safe to conclude, however, that there is a net handicap upon the Canadian producer of electrical equipment in meeting import competition which is substantial and likely to endure.

Smaller countries who seek to improve their economic balance by offering tariff protection to industries not particularly suited to their area can also do so at an obvious economic cost, namely the higher prices they pay for the protected product which in turn reflect the lower product per man in the protected industries. The consequence is to bring about a lower average national product per man than would be found in the same country if its industries had all been established without the aid of protective tariffs.

### Imports and Tariffs

Assent to the proposition that, over time, tariffs should be lowered rather than raised, does not answer, however, the critical question as to how far and how fast the current Canadian adjustment to import competition should be allowed to go. Canada is today one of the most "open" economies in the world.

We have relatively low tariffs; foreign capital comes into the country without restraint; immigration is encouraged. Even present tariffs will not prevent our feeling severely the import competition from countries which have depreciated their currencies in order to expand their exports and balance their international payments.

To erect new permanent barriers against such competition would be to delay the coming of that freer trading world upon which the future expansion of our own export trade may largely depend. But there is no reason why Canada should assume more than her reasonable share of a burden of adjustment to greater imports from overseas countries which should be borne by all dollar countries. Nor need we allow the process of adjustment to go too fast or to go so far as to endanger the national security.

Canada should avoid further extensive reductions in tariff rates until the other members of GATT have demonstrated their power and willingness to live up to the spirit of that agreement without reservations.

The application of these general recommendations to the electrical industry is clear. Together with other Canadian manufacturing it is subject currently to increased foreign competition. Its impact on some sectors of the industry has been so severe as to suggest the need to raise the tariff to prevent serious damage.

Good grounds for treating such predictions with caution are to be found, in a reasonable expectation of continued economic growth in Canada and particularly in the fact that the most rapidly expanding of Canadian industries are heavy users of electric power and so customers of some sectors of electrical industry.

Action should perhaps be postponed, until the consequences of the current import competition are clearer. In the meantime, the industry might be harrassed by further tariff reductions.

### Changing Imports

Part (a) Those for which imports have increased Relative to Gross Value, 1950-52

| Industry | 1939 | 1949 | 1950 | 1951 | 1952 | 1953 |
|---|---|---|---|---|---|---|
| | Imports as a % of Gross Value of Production | | | | | |
| Rubber Products | 6.2 | 7.9 | 7.4 | 7.7 | 9.4 | Dec. |
| Leather Products | 7.2 | 5.7 | 7.0 | 7.7 | 6.8 | Inc. |
| Cotton Textiles | 24.7 | 32.3 | 24.2 | 29.3 | 33.3 | Inc. |
| Rayon | 21.7 | 24.2 | 14.5 | 21.3 | 25.0 | Inc. |
| Machinery, excl. Agricultural | 88.2 | 92.8 | 88.5 | 107.8 | 110.6 | Inc. |
| Total Iron and Steel | 32.2 | 37.7 | 28.7 | 27.9 | 38.6 | Dec. |
| Electrical Apparatus | 15.5 | 14.4 | 14.2 | 17.8 | 19.5 | Inc. |

Part (b) Those for which imports have Decreased or remained the same Relative to Gross Value, 1950-52.

| | 1939 | 1949 | 1950 | 1951 | 1952 | 1953 |
|---|---|---|---|---|---|---|
| Woolen Textiles | 49.4 | 58.2 | 51.4 | 56.3 | 42.9 | Inc. |
| Total Textiles | 18.0 | 18.4 | 16.8 | 19.9 | 16.9 | Inc. |
| Rolling Mill Products | 42.6 | 32.1 | 27.5 | 37.3 | 28.2 | Dec. |
| Farm Implements | 130.6 | 99.9 | 108.1 | 114.0 | 95.9 | n/a |
| Vehicles | 28.4 | 26.4 | 20.7 | 27.9 | 26.0 | Inc. |
| Chemicals | 27.4 | 31.2 | 24.5 | 24.7 | 23.5 | Inc. |
| Finished Autos | 14.6 | 9.1 | 12.7 | 9.5 | 8.0 | Inc. |

Source: Imports of partially and fully or chiefly manufactured goods for each "industry" have been estimated from Trade of Canada; the Gross value of production of each product has been estimated from the Census of Industry, together with shipments information in more recent years.

Note: Inc.: Increase; Dec.: Decrease.

### The Cost Picture

Canadian Electrical Manufacturing Industry
(Percent of Gross Value of Production)

| | 1926-29 | 1935-39 | 1948-51 | 1952 |
|---|---|---|---|---|
| Materials | 42.5 | 42.0 | 44.4 | 43.8 |
| Wages | 16.7 | 16.3 | 20.0 | 20.3 |
| Salaries | 8.5 | 11.5 | 8.1 | 10.1 |
| Fuel and Electricity | 1.1 | 1.5 | .9 | .9 |
| All other costs | 31.2 | 28.7 | 26.6 | 24.9 |
| TOTAL, All costs | 100.0 | 100.0 | 100.0 | 100.0 |
| Salaries and Wages combined | 25.2 | 27.8 | 28.0 | 30.4 |

Source: The Electrical Apparatus and Supplies Industry: Annual Reports.

### Size of Firms

Degree of Concentration in the Electrical Manufacturing Industry, Canada, 1939 to 1952
(Percent of All Employees by Size of Plant)

| No. of Employees | 1939 | 1947 | 1952 |
|---|---|---|---|
| 1 to 99 | 18.3 | 9.9 | 10.7 |
| 100 to 199 | 11.5 | 9.7 | 9.3 |
| 200 to 499 | 16.3 | 14.6 | 14.6 |
| 500 to 999 | 12.4 | 15.1 | 15.8 |
| 1,000 to 2,499 | ... | 12.8 | 16.6 |
| 2,500 or more | 41.5 | 37.9 | 33.0 |
| | 100.0 | 100.0 | 100.0 |

Source: The Manufacturing Industries of Canada, Dominion Bureau of Statistics.

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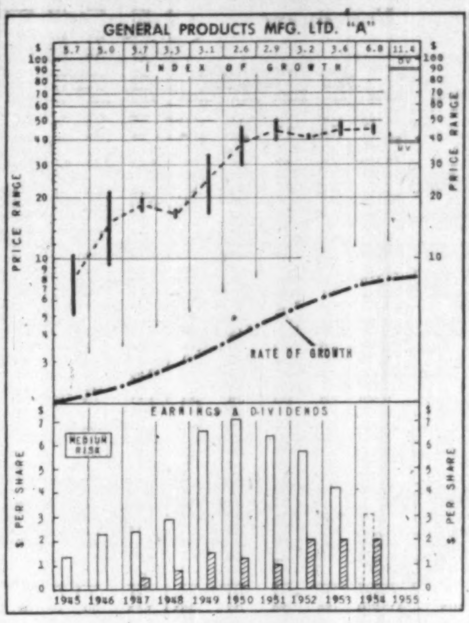
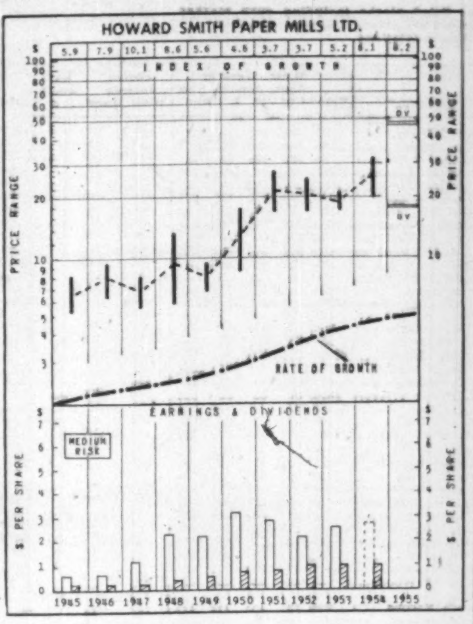


WHY SELECTED: *General Products, through acquisition of other properties, has gradually increased catering to both the soft and hard goods fields. The company stands to benefit from further expansion in the Canadian economy. Per share earnings on Class A stock rose 720% between 1937 and 1947, and 168% 1947-51.*



WHY SELECTED: *Canada's leading producers of fine papers, with pulp products and byproducts as well as laminated plastics also in the line, Howard Smith Paper Mills, through an integration and expansion program that is still under way, should register further long term growth in profits. Per share earnings increased 125% between 1937 and 1947, and 140% between 1947 and 1951.*

## Gen. Products

At a recent $41 a share market level, General Products Manufacturing class A yields 4.88% and sells for just over 10 times 1953 earnings. Earnings in '54 believed to have been down from '53 levels.

Dividends tax-free for shareholders because they're paid in preferred stock created out of tax-paid undistributed earned surplus. Preferred redeemed immediately after issuance.

Class A selling 5% above UV level, and 131% rise short of OV level. Price range in '54-'55, $47 to $41.

Textile slump big factor in poorer results. From May on, hosiery prices depressed so low imports discouraged. Better volume in last quarter, but improvement merely seasonal. No indication of permanent improvement, company officials say.

Tubing business compared favorably with '53 in physical volume, but profit margins lower due to lower prices. Current volume encouraging, indicates good year ahead. Other subsidiaries operated at good level during the year, and because they're linked quite closely to tubing and tube products demand, outlook favorable. Not big factor in over-all results, however.

## Howard Smith

Chart shows Howard Smith Paper Mills common selling 69% above UV level at recent price of $30½. Rise of 51% possible before reaching OV. Extra 20 cents dividend declared for 1954, believed to reflect favorable earnings, boosts year's total to $1.20 from $1.00 in 1953. On this basis, yield is 3.9%.

Fine paper demand, which had softened a bit in latter half, 1954, is up again substantially. May be merely seasonal pattern, but printing trades business looks good, and fine paper outlook thought to be excellent. Industry output for 1954 at new high of about 206,000 tons, up 5.1% from 1953. Prices steady.

Export demand for book, writing and coated papers strengthened later in 1954, with firmer market expected this year. Easing of Commonwealth exchange restrictions important factor here. Fine paper exports small portion of total production — 6% in 1954 — but still significant item.

Pulp market healthy, with unbleached grades up $5 a ton in first quarter (Howard Smith sells both unbleached sulphite and unbleached kraft). So far, no change in bleached pulps. Continued strong demand expected in U. S., with further shipments gains overseas likely.

Newsprint outlook excellent. Important for company through subsidiary, Donnacona Paper.

### *How To Read the Stock Charts*

**INDEX OF GROWTH:** The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

**PRICE RANGE:** The annual high, low and mean price. Monthly ranges for the current year.

**UNDERVALUATION AND OVERVALUATION PRICE LEVELS:** Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock showing a fast-growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV and OV levels, a current quotation of say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale, nor do they attempt to show what will be a stock's bottom or top figure in any given year.

**RATE OF GROWTH:** The rate as based on Nestor's tests, at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years, and in most instances the trend of dividend payments.

*Background and principles behind the selection by Nestor were discussed in a special article in The Financial Post, Jan. 10, 1953. A limited number of reprints are available on request.*

# *Company Reports*

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

## Insurance

**CANADA LIFE ASSURANCE CO.** new business in 1954 reached an all-time high of $267,026,000, including $33,539,000 in annuity business. This was 3.9% higher than comparable 1953 total of $257,116,000.

Number of policies placed during the year rose by 21% to 60,948, and included 26,552 new life insurance policies, 3,570 new annuity contracts, and group contracts covering 30,826 persons.

Sales of new group life insurance totaled $84 millions ($77.5 millions in 1953). Canadian sales were lower, and U. S. sales higher, than in previous year.

Gross yearly premiums on group accident and health insurance in force at the end of 1954 exceeded $2.4 millions. Company expects to enter this field in the U. S. in 1955.

Business in force at year-end totaled $2,137,286,000, including $1,856,543,000 life insurance and $280,743,000 annuities. There were 339,356 life insurance policies, 33,388 annuities, and 306,415 lives under group contracts.

Premiums received for insurance and annuities in 1954 amounted to $52,387,898 ($47,463,398), while investment income was $18,667,195 $16,901,195).

Distribution to policyholders and beneficiaries last year totaled $32,161,706 ($29,545,877), of which 61% was paid to living policyholders and beneficiaries.

Operating expenses increased to $10.3 ($9.5) millions. Reserve for contingencies was increased by $1 million, and unassigned surplus by $1,524,301 ($1,529,177) to a year-end combined total of $27,095,367 ($24,570,866).

Death rate among policyholders was slightly greater than in 1953, but was below the average of the last five years. In the period 1847-75, more than one third of policyholders' deaths were due to tuberculosis, pneumonia and other respiratory diseases, noted President E. C. Gill. Only 7% of deaths in that period were attributed to heart disease, today's major cause of death.

Most significant change in Canada Life investment portfolio, said the president, was increased emphasis on mortgage lending. Company placed mortgages of more than $53 ($30) millions, bringing the year-end mortgage portfolio to $157,347,342 ($130,437,057). Mortgages constituted 33.5% (29.7%) of total invested assets on balance sheet at Dec. 31, 1954.

Interest earned on investments last year was 4.16% (4.01%).

"The higher rate earned by the company has been due to the substantial increase in mortgages with their more attractive yield," said Mr. Gill. "The company expects to be very active in the mortgage field during the coming year, but unless the trend to lower interest rates in security investments changes it would be too much to expect further substantial improvement in the company's interest rate in 1955."

Bondholdings were slightly lower at $238.2 ($238.5) millions, while stockholdings rose to $30.8 ($28.5) millions.

Total life insurance in force at the end of 1954 in Canada and the U. S. was less than 1.2 times total annual personal income of the population, noted Mr. Gill. "It is obvious that the need for further life insurance protection is still great, and so it is quite likely that last year's sales of ordinary life insurance may be topped in 1955 . . . Undoubtedly this year should see a very substantial addition to the $104 billions of group insurance already in force in the U. S. and Canada."

It can reasonably be assumed that 1955 will be a greater year than 1954 both in Canada and the U. S., and may easily top 1953, said the president.

"Optimism prevails throughout our entire organization about the possibilities in 1955," he concluded.

| | 1954 | 1953 |
|---|---|---|
| | —$000— | |
| Total business in force | 2,137,286 | 1,934,043 |
| Insurance in force | 1,856,543 | 1,681,886 |
| Annuities in force | 280,743 | 252,157 |
| New business | 267,026 | 257,116 |
| New insurance | 233,437 | 229,564 |
| New annuities | 33,539 | 27,552 |
| Total receipts | 78,206 | 67,148 |
| Net premiums | 52,388 | 47,463 |
| Invest. income | 18,667 | 16,901 |
| Other | 5,151 | 2,734 |
| Policy payments | 32,161 | 29,546 |
| Expenses | 10,305 | 9,494 |
| Prof. alloted to sh'holders | 503 | 444 |
| Pol. proceeds with'n | 2,580 | 2,376 |
| Written-off assets | 1,827 | 495 |
| Incr. in free surplus | 1,525 | 1,529 |
| Other | 2,922 | 1,769 |
| Incr. in reserves | 24,383 | 21,495 |
| Liabs. to pol'holders incl. actuarial res. | 434,507 | 407,715 |
| Prov. fut. policy divds. | 8,929 | 8,279 |
| Liabs. to sh'holders | 2,150 | 1,947 |
| Conting. res. | 7,000 | 6,000 |
| Other liabs. | 5,630 | 4,900 |
| Total assets | 478,292 | 447,362 |
| Free surplus | 20,096 | 18,571 |
| Interest earned | 4.16% | 4.01% |

**Note**—Some minor changes have been made in the method of handling certain amounts in order to conform with the changes made in the statement required from life insurance companies by the Insurance Department of the Government of Canada. For comparative purposes, 1953 figures have been adjusted to the new basis.

## Trust, Loan

**WATERLOO TRUST & SAVINGS CO.** net profit for 1954 was $153,244, 20.6% higher than net for 1953 of $127,038.

Aggregate total of all business under the company's administration at the end of the year amounted to $60.7 millions.

Trusts and estates increased by $1.8 millions, and guaranteed funds, represented by deposits and guaranteed investment receipts showed an increase of over $4 millions, says President P. V. Wilson, bringing the total for this department to $35.4 millions.

Company's investments consist largely of government and municipal bonds and other high grade securities and carefully selected first mortgages on improved properties.

| | 1954 | 1953 |
|---|---|---|
| Liabs. to pub., etc.* | $35,389,579 | $31,473,307 |
| Sh'holders' equity | 2,940,148 | 2,906,904 |
| *Secured by: | | |
| Mtges. & sls. agree. | 14,864,555 | 13,605,404 |
| Off. premises | 533,649 | 491,683 |
| Realty for sale | 1 | 1 |
| Liquid assets♦ | 23,131,522 | 20,283,123 |
| Total | 38,529,727 | 34,380,211 |
| ♦Includes bonds and stocks. | | |
| Estates account | 22,156,178 | 20,316,162 |
| Net profit | 153,244 | 127,038 |
| Earned per Share | $1.53 | $1.27 |
| Paid | 1.20 | 1.20 |

**ONTARIO LOAN & DEBENTURE CO.** net profit for 1954 was $319,975, 2.5% higher than net in 1953 of $312,269.

The past year was one of growth for the company, says President Archibald McPherson. Deposits increased by $869,255 and debentures by $1,987,316. There was thus more money for meeting the continued demand for mortgage loans, particularly for new housing.

The reinvestment of the regular monthly principal payments on existing mortgages together with most of the new funds resulted in an increase of mortgage investments by $2,604,544, to a record total of $29.8 millions.

| | 1954 | 1953 |
|---|---|---|
| Liabs. to public* | $30,811,618 | $28,180,264 |
| Sh'holders' equity | 5,719,347 | 5,631,872 |
| *Secured by: | | |
| Off. premises | 75,000 | 78,000 |
| Mortgages | 29,731,212 | 27,146,668 |
| Agree. for sale | 1,975 | 2,361 |
| Liquid assets♦ | 6,702,778 | 6,634,907 |
| Total | 36,530,965 | 33,862,136 |
| ♦Comprises securities, loans on securities, deposits and cash. | | |
| Net profit• | 319,975 | 312,269 |
| Earned per Share: | | |
| Common (new) | $1.28 | $1.23 |
| Paid | 1.00+♦0.10 | •0.75+♦0.10 |
| Common (old) | .... | .... |
| Paid | .... | 1.25 |

•Three quarterly payments after 5-for-1 stock split.

♦Extra of 10 cents per share paid in February of year following.

•Net profit as reported by the company is before deduction of $7,500 for transfer to employees' benefit fund and $10,000 for transfer to reserve for extension of office premises. After these deductions, net profit would be $302,475 or $1.25 per share in 1954 and $294,769 or $1.18 per share in 1953.

**HURON & ERIE MORTGAGE CORP.** net profit for 1954 was $452,546, 7.4% higher than net for 1953 of $421,192.

Total assets amount to $80.6 millions, of which $72 millions are in debentures and savings deposits. Mortgages, company's principal investment, grew more than $7 millions to a total of $54.6 millions.

Total capital and reserve fund now stands at $7,850,000, after transferring $150,000 ($100,000 in 1953) to reserve fund.

Annual general meeting is Feb. 9, in company's head office in London, Ont.

| | 1954 | 1953 |
|---|---|---|
| Liabs. to pub., etc.* | $72,312,307 | $62,860,135 |
| Sh'holders' equity | 8,091,687 | 7,930,121 |
| *Secured by: | | |
| Mtges. & sls. agree. | 54,580,515 | 47,114,742 |
| Off. premises | 2,573,075 | 2,582,833 |
| Liquid assets♦ | 23,450,384 | 21,161,680 |
| Total | 80,608,974 | 70,799,256 |
| ♦Includes bonds and stocks of which $3,289,403 in 1954 and $3,294,777 in 1953 were Canada Trust stock. | | |
| Net profit | 452,546 | 421,192 |
| Earned per Share‡ | $9.05 | $8.42 |
| Paid | 8.00 | 6.00 |

‡Based on amount paid up on subscribed capital.

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# THE WEEK'S QUOTATIONS

## Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JANUARY 28, 1955

| Range 1954-55 High | Low | Div. R'te $ | Y'ld Jan28 % | Company | Sales | Last Jan. 21 | Week end. Jan. 28, 1955 H | L | Close |
|---|---|---|---|---|---|---|---|---|---|
| 28¾ | 16½ | ‡.30 | ... | Abitibi | 42342 | 27½ | 28¾ | 27¼ | 28¾ |
| 26⅞ | 25 | 1.12½ | 4.3 | Do. 4½% pref. | 4250 | 26½ | 26⅞ | 25½ | 25¾ |
| 9 | 6 | .50 | 5.6 | Acadia Atlan. | 1745 | 8½ | 9 | 8½ | 9 |
| 106½ | 100 | 5.00 | 4.8 | Do. 5% pref. | 15 | 105½ | 105½ | 104 | 105½ |
| 23 | 17 | 1.20 | 5.3 | Do. (A) | 175 | 22½ | 22¼ | 22½ | 22¾ |
| 8¼ | 7 | .40 | 5.3 | Agnew Surp. | 240 | 8 | 8 | 7½ | 7½ |
| 10 | 9 | .55 | 5.8 | Do. pref. | 5 | 9½ | 9½ | 9½ | 9½ |
| 2.25 | 1.25 | . | ... | Albt. Dist. | 4250 | 1.75 | 1.85 | 1.60 | 1.75 |
| 2.20 | 1.35 | . | ... | Do. V.T. | 2650 | 1.65 | 1.70 | 1.55 | 1.55 |
| 53⅞ | 39½ | . | ... | Algoma Steel | 7318 | 50¾ | 53½ | 50¾ | 52½ |
| 26¼ | 23 | 1.00 | 3.8 | Alum of Can p. | 1487 | 26½ | 26⅝ | 26 | 26¼ |
| 108 | 104 | 5.25 | 4.9 | Do. 2nd pfd. | 540 | 107 | 107¼ | 107 | 107¼ |
| 76¼ | 46 | ▴2.00 | .. | Aluminium | 13282 | 71¼ | 73½ | 71 | 72¼ |
| 2.79 | 2.40 | . | ... | Do. Rts. | 86899 | 2.60 | 2.75 | 2.55 | 2.60 |
| 39 | 25 | 2.00 | 5.3 | Ang. Cdn. Pulp. | 1480 | 38½ | 38½ | 37 | 37¼ |
| 55 | 48¾ | 2.80 | 5.2 | Do. pref. | 605 | 53½ | 54 | 53½ | 54 |
| 48¼ | 39 | 2.25 | 4.7 | Ang. Can. Tel. p | 506 | 48 | 48¼ | 48 | 48 |
| 11¼ | 7½ | .60 | 5.6 | Ang. Nfld. | 13900 | 10¾ | 11 | 10 | 10¾ |
| 23 | 20½ | 1.20 | 5.5 | Anthes Imp. | 410 | 22¼ | 22¼ | 22 | 22 |
| 2.60 | .75 | . | ... | Arcan Corp. | 350 | 1.05 | .90 | .90 | .90 |
| 23¾ | 12½ | ‡.20 | ... | Argus | 5105 | 22½ | 22½ | 21½ | 21½ |
| 116 | 82¼ | 4.50 | 4.2 | Do. 4½% pref. | 650 | 112 | 110 | 108 | 108½ |
| 38¼ | 24¾ | 1.00+*.25 | | Asbestos | 5730 | 38 | 38½ | 37½ | 38½ |
| 19 | 14 | ‡.12½ | .. | Ashdown Hd B. | 275 | 14½ | 14½ | 14½ | 14½ |
| 16½ | 10¾ | • | ... | Atlas Steels | 3005 | 14 | 14½ | 14 | 14 |
| 10 | 8 | .60+*.10 | | Auto Electric | 760 | 9¾ | 9¾ | 9¾ | 9¾ |
| 4½ | 3½ | • | ... | Auto Fabric A. | 10 | 4.50 | 4.15 | 4.15 | 4.15 |
| 37¾ | 27½ | 1.00+*.20 | | Bk. Can. Nat. | 1056 | 37½ | 37½ | 37½ | 37½ |
| 48¼ | 35¼ | 1.20+*.20 | | Bk. Montreal | 4456 | 44½ | 45¼ | 44½ | 44½ |
| 55 | 42 | 1.60+‡.20 | | Bk. N. Scotia | 1540 | 54½ | 55 | 54 | 55 |
| 59 | 41½ | ‡.43¾+*.60 | | Bk. Toronto | 570 | 58 | 58½ | 57 | 57 |
| 61 | 40¾ | 3.00 | 4.9 | Bathurst Pr. A | 1355 | 60½ | 61 | 60½ | 60¾ |
| 42 | 17½ | ‡.75 | ... | Do. B | 580 | 39 | 39 | 38 | 39 |
| 8⅞ | 6⅝ | .40 | 4.8 | Beatty Bros. | 935 | 8 | 8¼ | 8 | 8¼ |
| 90 | 52 | ‡2.00+*.50 | | Beaver Lumber | 10 | 87 | 87 | 87 | 87 |
| 14 | 10 | .70 | 6.4 | Belding Cort. pf. | 75 | 11 | 12 | 11 | 11 |
| 11¼ | 10 | 1.00 | 9.1 | Belgium Stores p | 100 | 10½ | 11 | 11 | 11 |
| 47 | 39⅝ | 2.00 | 4.4 | Bell Telephone | 22475 | 45½ | 46 | 45½ | 45¾ |
| 14 | 12 | 1.00 | 7.3 | Biltmore Hats A | 60 | 13½ | 13¾ | 13½ | 13¾ |
| 44½ | 34 | 2.50 | 7.1 | Blue Ribbon, pf. | 65 | 35 | 35 | 35 | 35 |
| 18 | 13½ | 1.00 | 5.6 | Brant. Cord. A | 875 | 18 | 18 | 17¾ | 17¾ |
| 9⅞ | 6⅝ | ‡.03+stk. | | Brazilian Tr. | 18876 | 7⅝ | 7¾ | 7½ | 7¾ |
| 50 | 46½ | 2.90 | 6.0 | Bridge & Tank p | 285 | 48½ | 48 | 47½ | 48 |
| 1.65 | 1.00 | . | ... | Do. Warr. | 12 | 1.20 | 1.15 | 1.00 | 1.00 |
| 11¼ | 5½ | . | ... | Bright, T. G. | 300 | 11 | 11½ | 11 | 11 |
| 23 | 15½ | 1.00+*.20 | | Br. Am. Bk. N'tes | 105 | 22½ | 22½ | 21½ | 22½ |
| 30 | 20½ | .85 | 3.0 | Brit. Amer. Oil | 15874 | 28½ | 29¼ | 28¼ | 28½ |
| 95¼ | 78 | 4.00 | 4.2 | B.C. Elec. 4% pf. | 139 | 93 | 95 | 93 | 95¼ |
| 105 | 90 | 4.75 | 4.5 | Do. 4¾% pref. | 345 | 104½ | 104¼ | 104¼ | 104½ |
| 54 | 48 | 2.50 | 4.7 | Do. 5% pref. | 440 | 53¼ | 54 | 53 | 53½ |
| 53 | 49½ | 2.25 | 4.3 | Do. 4½% pref. | 2435 | 52 | 52 | 51½ | 51½ |
| 9⅞ | 5⅞ | .40 | 4.1 | B.C. Forest | 20020 | 9⅝ | 9⅝ | 9½ | 9½ |
| 18 | 13 | .75 | 4.2 | B.C. Packers A | 260 | 17 | 18 | 16 | 18 |
| 14⅞ | 9 | ‡.25 | ... | Do. (B) | 1004 | 13½ | 14⅛ | 12½ | 14½ |
| 27 | 17⅞ | 1.00 | 3.7 | B.C. Power | 6954 | 26⅞ | 27 | 26 | 26¾ |
| 46½ | 35 | 2.00 | 4.4 | B.C. Tele. | 1320 | 45 | 46½ | 45 | 45¼ |
| .85 | .70 | . | ... | B.C. Turf | 2600 | .83 | .80 | .78 | .80 |
| 16⅞ | 8¾ | . | ... | Brown Co. | 8366 | 14⅞ | 15¼ | 14⅞ | 15¼ |
| 117 | 87 | ▴5.00 | .. | Do. 1st pref. | 193 | 107 | 107½ | 105 | 107 |
| 52⅞ | 49¼ | ‡▴.50 | .. | Do. 2nd pref. | 27 | 52.40 | 52.25 | 52 | 52 |
| 14 | 8¼ | • | ... | Bruck S. Mills A | 800 | 14 | 14¼ | 14 | 14 |
| 7 | 4 | • | ... | Do. B | 700 | 6 | 6¼ | 6 | 6 |
| 47½ | 35½ | 1.80 | 4.1 | Building Prod. | 565 | 44 | 44 | 43½ | 43½ |
| 75 | 51½ | 2.00+*.50 | | Burns & Co. A | 35 | 70 | 66½ | 66½ | 66½ |
| 59¾ | 37½ | 3.00+*.50 | | Do. (B) | 221 | 51 | 50½ | 50 | 50½ |
| 8¼ | 7 | .45 | 5.4 | Burrard D.D. A | 100 | 8 | 8¼ | 8¼ | 8¼ |
| 7 | 4½ | • | ... | Butterfly Hos. | 225 | 5 | 4½ | 4½ | 4½ |
| 106½ | 100½ | 5.00 | 4.7 | Calgary P. 5% p | 55 | 106 | 106½ | 106 | 106½ |
| 150 | 85 | *4.00 | .. | Canada Cement | 1139 | 145 | 145 | 143 | 144 |
| 32 | 28¼ | 1.30 | 4.1 | Do. pref. | 1129 | 31¼ | 32 | 31¼ | 31¼ |
| 10⅞ | 4 | . | ... | Can. Cr. Stone | 290 | 9½ | 9⅝ | 9½ | 9⅝ |
| 22 | 16¾ | 1.00 | 4.4 | C. & D. Sugar | 3966 | 21¼ | 22 | 21½ | 22¼ |
| 17½ | 13 | .60+▴▴.02 | | Can. Foils A | 200 | 16 | 16 | 16 | 16 |
| 24½ | 19¼ | 1.20 | 5.1 | Can. Iron | 2550 | 23⅞ | 24 | 23½ | 23¼ |
| 160 | 78¾ | 3.00 | 1.9 | Can. Life | 15 | 158 | 154 | 154 | 154 |
| 10⅞ | 8 | .50 | 5.6 | Can. Machine | 225 | 8⅝ | 9 | 8⅝ | 9 |
| 72 | 51½ | 2.00+*1.00 | | Can. Malting | 505 | 67 | 69¼ | 68¼ | 69¼ |
| 15⅞ | 10 | .60 | 4.3 | Can. Nor. Pr. | 210 | 13 | 14 | 12½ | 14 |
| 41½ | 36 | 1.50 | 4.1 | Can. Packers A | 244 | 38¼ | 39 | 37 | 37 |
| 39 | 31 | 1.50 | 4.3 | Do. (B) | 595 | 35 | 35 | 34⅞ | 35 |
| 87 | 58 | 2.60+‡.40 | | Can. Perman. | 380 | 87 | 86½ | 85½ | 86 |
| 106 | 100¾ | 5.00 | 4.8 | C. Safeway 1 p. | 55 | 105½ | 105 | 105 | 105 |
| 106 | 100½ | 5.00 | 4.7 | Do. 2nd pref. | 10 | 105½ | 105½ | 105½ | 105½ |
| 28⅞ | 20½ | .25 | 1.2 | Can Steamsh's n | 698 | 21 | 21½ | 21 | 21½ |
| 13½ | 12¼ | .62½ | 4.8 | Do. pref. | 1646 | 13½ | 13⅝ | 12 | 13 |
| 19 | 13½ | .80+*.20 | | Can. Vinegars | 320 | 17½ | 18 | 17 | 18 |
| 75 | 64½ | 3.00 | 4.3 | C. W. Cable B. | 60 | 70 | 70 | 68 | 70 |
| 45 | 32¼ | 1.20 | 3.0 | Canad'n B Com | 4818 | 39⅞ | 40 | 39½ | 39¾ |
| 3.25 | 2.90 | . | ... | Do. Rts. | 19973 | 3.15 | 3.20 | 3.15 | 3.20 |
| 27 | 21⅞ | 1.25 | 4.9 | Cdn. Breweries | 6186 | 25¾ | 25⅞ | 25 | 25⅝ |
| 36 | 26¼ | 1.25+*.50 | | Cdn. Bronze | 695 | 28½ | 28 | 27 | 27¾ |
| 106 | 102 | 5.00 | 4.7 | Do. pref. | 5 | 106 | 105¾ | 105¾ | 105¾ |
| 32 | 22 | 2.00 | 6.3 | Cdn. Canners | 3415 | 30½ | 31⅞ | 29½ | 31½ |
| 25¼ | 16½ | .80+*.20 | | Cdn. Car & F'y | 1651 | 20¾ | 21¼ | 20 | 21⅛ |
| 25½ | 18¾ | 1.00 | 4.6 | Do. pref. A | 2150 | 21 | 22 | 20¾ | 21¾ |
| 25 | 18 | *.75 | ... | Cdn. Celanese | 2331 | 23⅞ | 24¼ | 23½ | 23⅝ |
| 37½ | 29 | 1.75 | 4.9 | Do. $1.75 pref. | 540 | 37 | 37 | 36 | 36 |
| 22 | 17½ | 1.00 | 4.8 | Do. $1 pref. | 50 | 20½ | 21 | 21 | 21 |
| 9¼ | 6¾ | . | ... | Cdn. Chem. | 4820 | 9⅛ | 9¼ | 9 | 9¼ |
| 9.85 | 6.30 | . | ... | Cdn. Collieries | 8110 | 9.25 | 9.35 | 8.80 | 9.00 |
| 24½ | 14 | • | ... | Cdn. Cottons | 150 | 18 | 18 | 18 | 18 |
| 17¾ | 15 | ♦♦*.25 | .. | Cdn. Dredge n. | 1705 | 16 | 16⅝ | 15¾ | 16½ |
| 24½ | 22 | 1.00 | 4.5 | Cdn. Fairb. | 100 | 22½ | 22 | 22 | 22 |
| 126 | 120 | 6.00 | 4.8 | Do. pref. | 10 | 126 | 126 | 126 | 126 |
| 2 | 1½ | • | ... | Cdn. Food Prod | 140 | 1¾ | 1¾ | 1½ | 1¾ |
| 7 | 3½ | • | ... | Do. (A) | 540 | 4.50 | 4.50 | 4.30 | 4.50 |
| 64 | 30 | • | ... | Do. pref. | 15 | 35 | 35 | 35 | 35 |
| 30½ | 23¾ | 1.10+*.18 | | Cdn. G. Inv. | 228 | 30 | 30½ | 30 | 30½ |
| 160 | 112 | *6.00 | .. | Cdn. G. Sec. A | 12 | 152 | 160 | 141½ | 141½ |
| 28¼ | 20⅛ | ‡.15 | ... | Cdn. Indus. '54 | 6798 | 22⅛ | 22 | 21 | 21¼ |
| 99 | 90 | 3.75 | 3.8 | Do. pref. '54 | 80 | 98 | 98 | 98 | 99 |
| 85 | 70 | *4.00 | .. | Cdn. Ingersoll R. | 50 | 81 | 81 | 81 | 81 |
| 14 | 9½ | *.60 | ... | Cdn. Int. I. Tr. | 60 | 13½ | 14 | 14 | 14 |
| 22 | 14 | • | ... | Cdn. Locomo. | 470 | 21¼ | 22 | 20 | 20½ |
| 7¾ | 4¼ | *.06 | ... | Cdn. Marconi | 1280 | 7 | 7 | 6¾ | 6¾ |
| 18¾ | 12½ | .50 | 2.9 | Cdn. Oil | 1535 | 17 | 17½ | 17 | 17 |
| 106 | 100 | 5.00 | 4.8 | Do. 5% pref. | 45 | 105½ | 105 | 105 | 105 |
| 4.50 | 1.65 | . | ... | Do. warr. | 7620 | 3.10 | 3.30 | 3.00 | 3.30 |
| 32 | 20¾ | ‡.75 | ... | Cdn. Pacific | 11501 | 28¼ | 29½ | 28 | 29 |
| 22½ | 12 | . | ... | Cdn. Petrofina p | 4310 | 20 | 20½ | 19¾ | 20⅜ |
| 6½ | 2½ | . | ... | Cdn. P & P Sec | 600 | 5⅛ | 6½ | 6½ | 6½ |
| .85 | .55 | . | ... | Cdn. Propane | 3675 | .78 | .84 | .76 | .84 |
| 12 | 6½ | . | ... | Cdn. Salt | 25 | 11½ | 11½ | 11½ | 11½ |
| 77 | 45¼ | .60+*.10 | | Cdn. Tire | 105 | 69½ | 70 | 69 | 70 |
| 105 | 99 | 5.00 | 4.8 | Cdn. Utilities pf | 20 | 104 | 104 | 103½ | 104 |
| 34 | 17 | 1.50 | 4.5 | Cdn. Vickers | 9231 | 31¾ | 34 | 32 | 33½ |
| 16 | 6½ | *.25 | ... | Cdn. Wallpap. B | 90 | 11½ | 11½ | 11 | 11½ |
| 14¾ | 10 | . | ... | Cdn. W Lumber | 240 | 12½ | 12⅝ | 12⅜ | 12¼ |
| 78½ | 58 | 2.00 | 3.4 | Cdn. Westing'se | 790 | 59 | 59 | 57½ | 58 |
| 5.50 | 4.35 | ▴.11+.04 | | Capital Estates N | 100 | 4.90 | 4.90 | 4.90 | 4.90 |
| 17 | 10½ | 1.00 | 6.5 | Ch. Gai Wines | 180 | 16 | 15½ | 15 | 15½ |
| 69 | 55½ | *▴4.50 | .. | Chrysler Corp. | 140 | 67½ | 66 | 65 | 65 |
| 3.80 | 3.00 | . | ... | Claude Neon B. | 100 | 3.60 | 3.60 | 3.60 | 3.60 |
| 70 | 35½ | . | ... | Do. pref. | 25 | 58½ | 58½ | 58½ | 58½ |
| 4¾ | 3½ | .24+*.03 | | Coast Brew. | 1350 | 4.60 | 4.60 | 4.55 | 4.60 |
| 11⅞ | 6⅝ | • | ... | Cockshutt Farm | 2370 | 7¾ | 7¾ | 7½ | 7¾ |
| 16½ | 12½ | ‡.25+*.20 | | Coghlin, B. J. | 1172 | 15 | 16½ | 15 | 16¼ |
| 92 | 82 | 5.00 | 5.4 | Comb. Enter. pf. | 60 | 91 | 92 | 91½ | 92 |
| 11¼ | 7 | .25 | 2.4 | Conduits Nat. | 1060 | 11½ | 11½ | 10½ | 10½ |
| 160 | 58 | 1.50 | 1.0 | Conf. Life | 185 | 154 | 155½ | 152½ | 155½ |
| 8⅞ | 6¾ | ‡.50 | ... | Cons. Bakeries | 25 | 8½ | 8 | 8 | 8 |
| .85 | .70 | . | ... | Cons. Div. Sec. A | 6 | .75 | .70 | .70 | .70 |
| 25 | 22 | 1.50 | 6.3 | Do. pref. | 17 | 25 | 24½ | 23 | 24 |
| 68½ | 40½ | 1.50+‡.75 | | Cons. Paper | 11025 | 67 | 68½ | 65½ | 67½ |
| 8.00 | 3.95 | • | ... | Cons. Press A | 160 | 4.00 | 3.95 | 3.95 | 3.95 |
| 32 | 21¾ | .80+‡.35 | | Cons. Smelters | 30532 | 30 | 32 | 30½ | 31½ |
| 10¼ | 5¾ | • | ... | Cons. Textiles | 4325 | 8½ | 10¼ | 8½ | 10¼ |
| 25 | 16 | .80 | 3.7 | Consumers' Gas | 5865 | 21¾ | 21¾ | 21 | 21¾ |
| 30 | 24¾ | 1.50 | 5.6 | Consumers Glass | 540 | 27½ | 27¼ | 26¾ | 27 |
| 18 | 10½ | *1.10 | .. | Corbys A | 3227 | 17½ | 17½ | 17¼ | 17½ |
| 17½ | 10 | *.50 | ... | Do. (B) | 1355 | 17 | 17 | 16¾ | 16¾ |
| 12¾ | 9 | .70 | 5.7 | Cosmos Imp. | 350 | 12 | 12½ | 12¼ | 12¼ |
| 5 | 3 | • | ... | Craig Bit | 400 | 4½ | 4¼ | 4¼ | 4¼ |
| 48 | 36 | 2.00 | 4.2 | Crown Cork | 70 | 48 | 48 | 48 | 48 |
| 200 | 16 | 5.00 | 2.5 | Crown Trust | 193 | 180 | 200 | 185 | 200 |
| 62 | 34 | ▴‡.50 | .. | Crown Zeller | 847 | 56½ | 55⅞ | 54 | 54½ |
| 115¼ | 60 | 4.00 | 3.5 | Crow's N. Coal | 23 | 115 | 115½ | 112 | 115½ |
| 51 | 42 | 3.00 | 5.9 | David & Fre. A | 5 | 50 | 50½ | 50½ | 50½ |
| 16 | 7½ | • | ... | Davis Leather A | 371 | 8½ | 8½ | 8 | 8⅞ |
| 35 | 27½ | 1.20+*.50 | | Distill-Seagram | 17606 | 32⅛ | 32½ | 30½ | 30½ |
| 44½ | 31 | 1.30+*.10 | | Dom. Bank | 595 | 42 | 42⅝ | 41½ | 42⅝ |
| 20¾ | 15½ | ‡.10+.30 | | Dom. Bridge N. | 7570 | 18½ | 19½ | 18½ | 19 |
| 11 | 6½ | . | ... | Dom. Coal, pref. | 995 | 9½ | 10½ | 9½ | 9½ |
| 14 | 12¾ | .80 | 6.2 | Dom. Corset | 500 | 13½ | 13 | 13 | 13 |
| 6½ | 5½ | . | ... | Dom. Dairies | 170 | 6½ | 6½ | 6½ | 6½ |
| 5½ | 3½ | • | ... | Dom. Electro | 120 | 4 | 3½ | 3½ | 3½ |
| 27½ | 21 | .60+*.40 | | Dom. Engineer | 1435 | 24¾ | 28 | 25½ | 28 |
| 20¾ | 13⅞ | .60 | 3.1 | Dom. Foundry | 5490 | 19 | 19½ | 18½ | 19½ |
| 105¾ | 99 | 4.50 | 4.4 | Do. 4½% pref. | 55 | 103½ | 103½ | 103½ | 103½ |
| 45 | 35½ | .80+‡.62½ | | Dom. Glass | 275 | 37½ | 37¾ | 37 | 37½ |
| 18 | 15⅝ | .70 | 3.9 | Do. pref. | 100 | 17¼ | 17¾ | 17¾ | 17¾ |
| 15⅞ | 11½ | ♦♦*.50 | .. | Dom. Magnes. | 11505 | 14⅜ | 14¾ | 14¼ | 14⅝ |
| 38 | 27¼ | 1.60+*.40 | | Dom. Oilcloth | 680 | 35 | 35 | 33½ | 33½ |
| 18⅞ | 9¾ | 1.00 | 5.8 | Dom. St. & C. | 2070 | 17 | 17½ | 17 | 17¼ |
| 32 | 18¼ | .80 | 2.7 | Dom. Stores | 2405 | 29½ | 29⅞ | 29½ | 29½ |
| 10⅞ | 7½ | .40 | 3.8 | Dom. Tar & Ch. | 12753 | 10⅞ | 10¾ | 10½ | 10½ |
| 24 | 20½ | 1.00 | 4.2 | Do. pref. | 660 | 23 | 24 | 23 | 24 |
| 7¾ | 6 | • | ... | Dom. Textile | 7830 | 7¾ | 7¾ | 7⅝ | 7⅝ |
| 3 | 2 | . | ... | Dom. Woollens | 200 | 2.00 | 2.10 | 2.10 | 2.10 |
| 31 | 15½ | 1.20+‡.20 | | Donohue Bros. | 1425 | 29¾ | 30 | 28½ | 29 |
| 26 | [illegible] | [illegible] | ... | Dow Brew. | 1357 | 25½ | 25¾ | 25 | 25½ |
| 35½ | 24½ | ‡.20 | ... | Du Pont of Can. | 4933 | 28 | 28⅝ | 27¾ | 28 |
| 100 | 90 | 3.75 | 3.8 | Do. pref. | 111 | 100 | 100 | 100 | 100 |
| 66 | 42 | . | ... | East Koot Pr. pf | 210 | 56 | 60 | 59¾ | 59¾ |
| 6½ | 3½ | . | ... | East Steel | 500 | 4.00 | 4.50 | 4.15 | 4.50 |
| 12½ | 5½ | .20+‡.20 | | Easy Washing | 175 | 12½ | 12½ | 10 | 10½ |
| 35½ | 32 | 1.00 | 3.0 | Eddy Paper | 690 | 33½ | 33½ | 33 | 33 |
| 13½ | 9½ | ▴1.00 | ... | Electrolux | 545 | 11¾ | 11¾ | 11¾ | 11¾ |
| 7 | 5½ | .60 | 8.6 | Erie Flr. & W. A | 50 | 6½ | 6¾ | 7 | 7 |
| 28½ | 19 | 1.50+*.10 | | Fam. Players | 6441 | 28 | 28 | 27 | 27¾ |
| 29½ | 20 | ▴1.50 | .. | Fanny Farmer | 1400 | 26¾ | 27 | 26½ | 26½ |
| 30 | 19 | ‡1.00 | .. | Federal Grain | 1435 | 27¾ | 28 | 27 | 27¾ |
| 29½ | 26 | 1.00 | 4.7 | Do. pref. | 200 | 29½ | 29½ | 29½ | 29½ |
| 5 | 2½ | . | ... | Fibre Products | 500 | 3½ | 2½ | 2½ | 2½ |
| 9 | 7½ | . | ... | Fittings | 10 | 8 | 8 | 8 | 8 |
| 12 | 9½ | .60 | 6.3 | Do. (A) | 200 | 10 | 9½ | 9½ | 9½ |
| 9 | 3 | • | ... | Flash Fast. pf. | 300 | 7 | 7 | 7 | 7 |
| 2.55 | 1.15 | . | ... | Fleet Mfg. | 22769 | 1.85 | 2.10 | 1.85 | 2.05 |
| 110¾ | 63¾ | 3.00+*1.25 | | Ford Motor A | 4133 | 102 | 105½ | 101½ | 104½ |
| 58¾ | 30 | . | ... | For. Pr. Secs. | 51 | 50 | 57 | 50 | 53 |
| 23¼ | 13 | ‡.17½+*.10 | | Foundation Co. | 35987 | 18 | 23¾ | 18½ | 23 |
| 27¾ | 15½ | 1.00+‡.20 | | Fraser Cos. | 8250 | 26½ | 27¾ | 26½ | 27 |
| 29 | 20¾ | 1.20 | 4.3 | Gatineau Pwr. | 7100 | 27¾ | 28½ | 27½ | 28½ |
| 113 | 104 | 5.00 | 4.5 | Do. pref. 5% | [illegible] | 113 | 112 | 111½ | 112 |
| 115 | 109½ | 5.50 | 4.9 | Do. 5½% pref. | 60 | 113 | 114½ | 112 | 112 |
| 8¼ | 5 | .20 | 2.6 | Gen. Bakeries | 1475 | 8 | 8 | 7¾ | 7¾ |
| 95 | 35 | ‡2.10+stk | | Gen. Dynamics | 8589 | 78½ | 95 | 79½ | 95 |
| 102 | 58 | *▴5.00 | .. | Gen. Motors | 321 | 93 | 97 | 93 | 96½ |
| 16½ | 10¾ | ‡.10 | ... | Gen. St. Wares | 775 | 10¾ | 10¾ | 10⅜ | 10¾ |
| 105 | 99 | 5.00 | 4.9 | Do. pref. | 100 | 101½ | 102 | 102 | 102 |
| 180 | 97 | 4.00+*2.00 | | Goodyear Tires | 60 | 165 | 168 | 165 | 165 |
| 53½ | 48½ | 2.00 | 3.7 | Do. pref. | 156 | 52½ | 52¾ | 52½ | 53½ |
| 8 | 6½ | .50 | 6.9 | Gord. MacKay A | 850 | 7¼ | 7½ | 7 | 7¼ |
| 10⅞ | 8 | 1.00 | 12.3 | Do. (B) | 550 | 8 | 8½ | 8½ | 8½ |
| 20 | 17 | 1.00 | 5.6 | Grafton A | 100 | 19 | 18 | 18 | 18 |
| 32 | 18¾ | 1.60 | 5.0 | Gt. Lakes Paper | 7015 | 31¾ | 32 | 31 | 31⅞ |
| 5.65 | 3.95 | . | ... | Gt. North Gas | 8050 | 5.45 | 5.65 | 5.40 | 5.40 |
| 9¼ | 5 | .50 | 6.3 | Gt. West Coal A | 1030 | 7¾ | 8½ | 7¾ | 8 |
| 8¼ | 4½ | *.25 | ... | Do. (B) | 300 | 6 | 6¼ | 6 | 6 |
| 198½ | 77 | 2.00+‡.50 | | Gt. West-Life | 5 | 198½ | 198 | 198 | 198 |
| 4.70 | 3.50 | .20+*.05 | | Greening Wire | 100 | 4 | 4¼ | 4¼ | 4¼ |
| 19 | 13½ | .60 | 3.2 | Guaranty Trust | 410 | 18½ | 19 | 18½ | 19 |
| 65 | 45½ | ▴2.00+*■ | | Gulf Oil | 25 | 62 | 62 | 62 | 62 |
| 56 | 32¾ | ‡1.20 | .. | Gypsum, Lime | 2150 | 54½ | 55 | 54 | 54½ |
| 16¼ | 14 | .80 | 4.9 | Hahn Brass, pf. | 10 | 15½ | 16¼ | 16¼ | 16¼ |
| 9 | 7½ | ‡.15 | ... | Harding Carpet | 100 | 8 | 8 | 8 | 8 |
| 6 | 4 | . | ... | Hees, Geo. H. | 46 | 5 | 5 | 5 | 5 |
| 16¼ | 12¾ | 1.00+*.25 | | Hendershot Paper | 50 | 16 | 16 | 16 | 16 |
| 61½ | 28¼ | ‡.45 | ... | Hinde & Dauch. | 958 | 55½ | 60 | 55½ | 60 |
| 7.00 | 4.70 | .60 | 9.2 | Holden Mfg. A | 50 | 6 | 6½ | 6½ | 6½ |
| 31 | 19¾ | 1.00+‡.20 | | H. Smith Paper | 3995 | 30½ | 30½ | 30 | 30 |
| 52¼ | 44½ | 2.00 | 4.0 | Do. pref. | 490 | 51 | 51 | 50½ | 50½ |
| 12 | 10 | 1.50 | 13.0 | Hubbard Felt, pf | 25 | 12 | 11½ | 11½ | 11½ |
| 175 | 123½ | 7% | 1.5 | Huron & E. Mt. | 23 | 160 | 175 | 165 | 165 |
| 7¼ | 4 | *.30 | ... | Hydro Electric | 110 | 7 | 7½ | 6¾ | 6¾ |
| 50½ | 36½ | 1.20+*.30 | | Imperial Bk. | 1095 | 47½ | 47½ | 46½ | 47 |
| 15¼ | 13½ | . | ... | Do. Warr. | 5872 | 14⅞ | 15¼ | 15 | 15¼ |
| 80 | 43 | 1.50 | 2.1 | Imperial Life | 85 | 72½ | 72¾ | 72 | 72 |
| 40 | 28 | .90 | 2.4 | Imperial Oil | 14459 | 37¾ | 38 | 37½ | 37½ |
| 11¼ | 9¾ | .40+*.07½ | | Imperial Tob. | 13546 | 10¾ | 10¾ | 10½ | 10¾ |
| 25¾ | 23¼ | 1.00 | 3.9 | Do. 4% pref. | 200 | 25½ | 25½ | 25½ | 25½ |
| 7½ | 6 | 6% | 4.0 | Do. 6% pref. | 1225 | 7¼ | 7¾ | 7½ | 7½ |
| 55½ | 34½ | 2.50 | 4.9 | Indust. Accept. | 7065 | 51¼ | 51⅞ | 50¾ | 51½ |
| 105¾ | 94¾ | ‡.66 | ... | Do. 5% $100 p. | 70 | 105½ | 105 | 105 | 105 |
| 54 | 34½ | ‡.20 | ... | Do. 5% $1.50 p | 400 | 51¼ | 51½ | 50⅞ | 51½ |
| 54½ | 39 | ‡.27 | ... | Do. 5% p $40 p | 575 | 51 | 51½ | 50¾ | 51 |
| 9 | 8 | .50 | 5.9 | Ingersoll M. & T. | 75 | 8 | 8½ | 8 | 8½ |
| 12½ | 7 | ‡.40 | .. | Inglis John | 11415 | 11 | 11¼ | 10¾ | 11 |
| 3.60 | 2.95 | . | ... | Inland Nat. Gas. | 12300 | 3.60 | 3.50 | 3.40 | 3.45 |
| 6.00 | 3.15 | *.10 | ... | Inter. Bronze | 130 | 3¾ | 4½ | 4 | 4 |
| 18 | 15¾ | 1.50 | 8.8 | Do. pref. | 260 | 17 | 17½ | 17 | 17 |
| 38 | 29½ | 1.60+*.40 | | Int. Metal Ind. A | 254 | 35 | 35 | 34 | 35 |
| 59⅞ | 34½ | ▴2.00+*.90 | | Inter. Nickel | 36070 | 56½ | 59¾ | 56½ | 59 |
| 136 | 128 | ▴7% | .. | Do. pref. | 230 | 134½ | 134¾ | 134⅜ | 134½ |
| 13½ | 9 | ‡.25 | .. | Inter. Paints A | 500 | 12 | 12 | 12 | 12 |
| 85 | 54 | ▴3.00*■ | | Int. Paper | 1354 | 81 | 83 | 80 | 82½ |
| 29 | 18¾ | ▴1.00 | .. | Int. Pete. | 1639 | 25⅞ | 25¾ | 24¾ | 25½ |
| 137 | 78 | 2.40 | 1.8 | Int. Power | 100 | 130 | 132 | 130 | 130 |
| 38½ | 28½ | ▴1.40 | . | Int. Util. | 1140 | 37½ | 37¾ | 36⅞ | 36⅞ |
| 37½ | 30½ | ▴1.80 | .. | Do. pref. | 40 | 37 | 37½ | 37¼ | 37½ |
| 16 | 12 | .80+*.25 | | Interp. Bld. C. | 425 | 12½ | 13 | 12½ | 12½ |
| 31⅞ | 20¾ | *.45 | . | Interp. Pipe | 8772 | 23½ | 30 | 28½ | 30 |
| 14 | 5¾ | | ... | Interp. Util. | 200 | 13¼ | 13½ | 13¼ | 13½ |
| 33½ | 25¾ | 1.50 | 4.5 | Inv. Foundation | 10 | 33 | 33½ | 33⅛ | 33½ |
| 54½ | 52 | 3.00 | 5.6 | Do. pref. | 10 | 54 | 53¾ | 53¾ | 53¾ |
| 18 | 15 | 1.00 | 5.6 | Jam. Pub. Ser. | 50 | 17½ | 18 | 17½ | 17½ |
| 106 | 100 | 7.00 | 6.7 | Do. pref. | 20 | 105 | 106 | 105½ | 105½ |
| 25¾ | 19½ | 1.50 | 7.1 | Kelvinator | 85 | 21 | 21 | 20½ | 21 |
| 22½ | 17 | 1.00 | 4.5 | Labatt, John | 2115 | 22 | 22½ | 21½ | 22 |
| 45 | 27½ | • | ... | Lake of Woods | 82 | 44 | 45 | 43½ | 45 |
| 13 | 8 | • | ... | Lang, J. A. | 300 | 12⅜ | 12⅜ | 12 | 12 |
| 18½ | 13½ | .80 | 4.5 | Laura Secord | 265 | 18 | 18½ | 17¾ | 17¾ |
| 14½ | 10½ | .60 | 4.6 | Laur. Accept. A | [illegible] | 13¾ | 13¾ | 13 | 13 |
| 27 | 13 | .60 | 2.3 | Do. (B) | 50 | 24 | 26 | 25 | 26 |
| 21¼ | 17¾ | 1.20 | 5.7 | Do. pref. | 50 | 21½ | 21 | 21 | 21 |
| 10½ | 8 | .60 | 1.6 | Lewis Bros. | 200 | 9¾ | 9¾ | 9¾ | 9¾ |
| 47 | 37½ | 1.50 | 3.4 | Loblaw A | [illegible] | 44½ | 44¾ | 44½ | 44½ |
| 72 | 40½ | 1.50 | 2.1 | Do. (B) | 265 | 71 | 70¾ | 70½ | 70½ |
| 61½ | 34¾ | ▴1.00+*.25 | | Loblaw Inc. | 635 | 60 | 60½ | 60 | 60 |
| 18½ | 16 | . | ... | Lower St. Law P | 835 | 18½ | 18 | 18 | 18 |
| 21 | 15½ | 1.00 | 5.1 | Lowneys | 100 | 20 | 19¾ | 19¾ | 19¾ |
| 71 | 54½ | 2.00+*.75 | | Maclaren Pr. | 185 | 68½ | 71 | 69 | 70 |
| 29¾ | 17¾ | .80+‡.20 | | MacMil & Blo B | 13570 | 28⅞ | 29¾ | 28½ | 29¼ |
| 20 | 13 | ‡.25 | .. | Mailman Corp. | 625 | 20 | 21 | 20 | 21 |
| 90 | 81 | 5.00 | 5.6 | Do. pref. | 30 | 89 | 89 | 89 | 89 |
| 21 | 18 | 1.00 | 4.8 | Do. C.C. pref. | 125 | 21 | 21 | 21 | 21 |
| 25 | 15½ | 1.00+*.30 | | M. L. Gardens | 36 | 25 | 23¼ | 23¼ | 23¼ |
| 10 | 7 | .50 | 5.6 | Maple Leaf M. | 704 | 9 | 9½ | 9 | 9 |
| 103 | 90 | 5.00 | 4.9 | Do. pref. | 54 | 102 | 103 | 102 | 102½ |
| 10¼ | 7¾ | .60 | 6.0 | Massey-Harris | 67995 | 9⅞ | 10¼ | 9⅞ | 10 |
| 6.37½ | 3.65 | • | ... | Maule Ind. Inc. | 2700 | 5½ | 6⅞ | 6 | 6⅞ |
| 5¾ | 3 | ‡.06¼ | ... | Maxwell Ltd. | 805 | 3½ | 3½ | 3½ | 3½ |
| 18 | 12½ | .60 | 3.4 | McCabe A | 25 | 17 | 17½ | 17½ | 17½ |
| 37 | 26½ | ‡.30 | ... | McColl Fron. | 3397 | 34 | 35 | 33 | 34½ |
| 101½ | 90½ | 4.00 | 4.0 | Do. pref. | 30 | 100 | 101½ | 101 | 101 |
| 5 | 4 | | ... | Melchers | 100 | 4¼ | 4½ | 4½ | 4½ |
| 11¼ | 10 | .60+*.10 | | Do. pref. | 400 | 11½ | 11½ | 10 | 10 |
| 2.50 | .95 | • | ... | Mercury Chip. | 200 | 1.50 | 1.50 | 1.50 | 1.50 |
| 11 | 5½ | ♦♦*.25 | .. | Mexican Lt. C. | 2120 | 10½ | 10⅜ | 9¾ | 10⅜ |
| 10½ | 7 | *1.33⅓ | .. | Do. pref. | 942 | 9½ | 9½ | 9 | 9½ |
| 2.30 | 1.25 | *.14 | ... | Mica of Can. | 10 | 1.75 | 1.25 | 1.25 | 1.25 |
| 2.10 | 1.06 | | ... | Midwest Ind. | 15900 | 1.90 | 1.67 | 1.75 | 1.80 |
| 3.15 | 1.75 | *.20 | ... | Milton Brick | 2100 | 3.00 | 3.10 | 3.00 | 3.10 |
| 52½ | 28 | ‡▴.60 | ... | Minn. & Ont. P | 6543 | 51¾ | 52 | 51½ | 51¾ |
| 22 | 15 | 1.00 | 4.9 | Mitchell, Robt. | 135 | 20½ | 21 | 20½ | 20½ |
| 17 | 11½ | 1.00 | 6.3 | Mod. Contain. | 206 | 16 | 17 | 15¾ | 16 |
| 19½ | 14 | 1.00 | 6.1 | Do. (A) | 100 | 16½ | 16½ | 16 | 16½ |
| 27 | 22 | .80+*.40 | | Molson Brew. A | 2075 | 23¾ | 24 | 23½ | 23¾ |
| 27 | 22 | .80+*.40 | | Do. B | 515 | 23¾ | 23½ | 23 | 23 |
| 9.50 | 4.95 | • | ... | Monarch Knit | 600 | 4.95 | 6.75 | 5.00 | 6.75 |
| 19 | 15 | 1.00 | 5.3 | Montreal Loco. | 1260 | 18 | 18 | 17½ | 17½ |
| 35 | 24¾ | ▴1.20+.20 | | Moore Corp. | 2195 | 33½ | 34½ | 34 | 34⅛ |
| 28 | 25 | 1.00 | 3.6 | Do. 4% pref. | 125 | 27¾ | 28 | 28 | 28 |
| 19½ | 16¾ | .75 | 4.1 | Morgan, H. | 1225 | 18½ | 18½ | 18½ | 18½ |
| 106 | 100 | 4.75 | 4.5 | Do. 4¾% pfd. | 500 | 104½ | 105 | 105 | 105 |
| 9 | 5½ | . | ... | Morrison Brass. | 150 | 7 | 7 | 7 | 7 |
| 14 | 9½ | .60+*.10 | | Nat. Drug. | 825 | 13½ | 13½ | 13½ | 13½ |
| 14½ | 11½ | .60 | 4.3 | Do. pref. | 700 | 14 | 14½ | 14 | 14 |
| 13¾ | 10 | .60 | 5.2 | Nat. Grocers | 1510 | 11¾ | 12 | 11⅞ | 11⅞ |
| 28½ | 27½ | 1.50 | 5.3 | Do. pref. | 730 | 28½ | 28½ | 28 | 28¼ |
| 7½ | 5 | ‡.12 | ... | Nat. Hosiery B. | 1255 | 5½ | 5½ | 5 | 5 |
| 29 | 24½ | 1.50+*.50 | | Nat. Steel Car | 1835 | 26½ | 26¾ | 26½ | 26¾ |
| 41 | 27½ | 1.20+*.20 | | National Tr. | 10 | 41 | 41 | 41 | 41 |
| 30½ | 18½ | ‡.50 | ... | Neon Pro of WC | 20 | 29 | 30 | 30 | 30 |
| 28½ | 22 | 1.20 | 4.2 | Nfld. Lt. & Pr. | 83 | 28 | 28½ | 28¼ | 28¼ |
| 40 | 32½ | 2.00+‡.50 | | Niag. W. Weav. | 330 | 38½ | 38 | 38 | 38 |
| 85 | 58 | *3.25 | .. | Noranda | 13075 | 81½ | 85 | 81 | 83 |
| 13½ | 6 | . | ... | North Star Oil | 8000 | 10½ | 13½ | 11 | 13 |
| 5.95 | 2.15 | . | ... | Do. Warr. | 6860 | 4.45 | 5.95 | 4.50 | 5.30 |
| 53 | 50½ | 2.75 | 5.2 | North Que. Pwr. | 20 | 52½ | 53 | 53 | 53 |
| 93½ | 89⅝ | | ... | Northwest Ut. P. | 175 | 92½ | 93½ | 93 | 93½ |
| 36½ | 30½ | 1.00+*.50 | | Ogilvie Flour | 1901 | 34½ | 36½ | 34½ | 36½ |
| 170 | 150 | 7.00 | 4.2 | Do. pref. | 60 | 170 | 167 | 167 | 167 |
| 2.95 | 1.90 | *.10 | ... | Ont. Jockey C. | 6050 | 2.35 | 2.40 | 2.30 | 2.35 |
| .95 | .60 | . | ... | Do. Warr. | 800 | .65 | .65 | .61 | .61 |
| 26½ | 22 | 1.00+‡.10 | | Ontario Loan | 2350 | 26 | 26⅜ | 26 | 26½ |
| 25¾ | 21¾ | 1.00+‡.40 | | Ontario Steel | 935 | 24 | 24 | 23 | 24 |
| 4½ | 3½ | • | ... | Orange Crush | 300 | 3.60 | 3.65 | 3.60 | 3.65 |
| 74¾ | 60 | 3.00 | 4.3 | Page Hersey | 1015 | 69½ | 70 | 69½ | 70 |
| 21⅛ | 19½ | 1.40 | 7.0 | Paton Mfg. pf. | 50 | 19½ | 20 | 19½ | 20 |
| 49 | 40 | 3.00 | 6.6 | Penmans | 60 | 45 | 45¾ | 45¾ | 45¾ |
| 13 | 10 | ‡.15+.05 | | People's Cr. Jr. | 225 | 12½ | 12½ | 12 | 12 |
| 102⅝ | 99 | ♦♦*3.25 | .. | Do. pref. | 100 | 102⅝ | 102⅝ | 102⅝ | 102⅝ |
| 42 | 30½ | 2.00 | 4.8 | Photo Eng. | 50 | 40½ | 42 | 41½ | 42 |
| 44 | 26½ | 1.00+*.60 | | Powell River | 4187 | 40⅝ | 41⅞ | 40⅞ | 41 |
| 50 | 35 | 2.00 | 4.0 | Power Corp. | 2758 | 47½ | 49½ | 47½ | 49½ |
| 67⅞ | 56½ | 3.00 | 4.5 | Do. 2nd pref. | 350 | 66 | 67⅞ | 66 | 66 |
| 53 | 50½ | ♦♦‡.56 | .. | Do. 4½% CR. | 250 | 51¾ | 52 | 51 | 52 |
| 15⅞ | 7 | *▴.40 | ... | Pressed Metals | 1173 | 13½ | 13⅝ | 12 | 13½ |
| 47¾ | 31½ | 2.00 | 4.2 | Price Bros. | 6711 | 45½ | 48¾ | 46 | 48 |
| 102 | 92 | 4.00 | 4.0 | Do. pref. | 65 | 101½ | 100 | 100 | 100 |
| 16½ | 13 | 1.00 | 6.3 | Prov. Transport. | 1225 | 16 | 16½ | 16 | 16 |
| 28½ | 21½ | 1.20 | 4.5 | Quebec Power | 880 | 26¾ | 26⅞ | 26¾ | 26⅞ |
| 42½ | 12 | ‡.25+.25 | | Que. Telephone | 200 | 40⅛ | 40 | 39 | 39 |
| 11 | 8 | .60+‡▴▴.15 | | Quinte Milk A. | 150 | 8½ | 10½ | 9 | 9 |
| 22½ | 11 | .40+*.25 | | Reitman's | 50 | 22½ | 22½ | 22½ | 22½ |
| 15 | 8 | . | ... | River S. Mill A. | 65 | 8 | 8 | 8 | 8 |
| 3½ | 2 | • | ... | Do. (B) | 100 | 3 | 2 | 2 | 2 |
| 41½ | 41 | 2.00 | 4.9 | Robertson P 5%p | 100 | 41 | 41 | 41 | 41 |
| 20⅝ | 18 | 1.00+*.26 | | Do. pref. | 20 | 20⅝ | 20⅝ | 20⅝ | 20⅝ |
| 48½ | 22½ | 1.00+*.35 | | Rolland Paper | 750 | 43 | 43½ | 44 | 48½ |
| 94 | 74 | 4.25 | 4.5 | Do. pref. | 40 | 93½ | 94 | 93½ | 94 |
| 52 | 37½ | 1.50+*.10 | | Royal Bank | 6066 | 50¾ | 52 | 50⅞ | 52 |
| 20 | 13½ | *.90 | ... | Russell Indust. | 1060 | 17 | 17½ | 16¾ | 17 |
| 104 | 98½ | 4.25 | 4.1 | Saguenay Pr. p. | 60 | 104 | 103⅝ | 103 | 103⅝ |
| 70 | 37½ | 2.00 | 2.9 | St. Law. Corp. | 2860 | 68 | 63½ | 67¾ | 68½ |
| 16 | 11½ | *.75 | ... | Sangamo | 200 | 11¾ | 12 | 11¾ | 12 |
| 17 | 14 | .80+*.20 | | Sarnia Br. | 150 | 16½ | 16¾ | 16½ | 16½ |
| 18 | 14 | ‡.25 | ... | Scythes & Co. | 70 | 15 | 15 | 15 | 15 |
| 54¾ | 39 | 1.20+*.25 | | Shawinigan Pr. | 6297 | 54 | 54¾ | 53¾ | 54 |
| .82 | .76 | . | ... | Do. Rights | 26077 | .. | .82 | .76 | .80 |
| 51½ | 44½ | 2.00 | 4.0 | Do. 4% pref. A | 1856 | 50½ | 50½ | 50 | 50½ |
| 55 | 49½ | 2.25 | 4.2 | Do. 4½% B p. | 426 | 54 | 54½ | 53 | 53 |
| 50 | 25 | ‡.45+.25 | | Sher. Wms. | 10 | 46 | 45 | 45 | 45 |
| 30 | 23½ | 1.20+*.20 | | Sicks Brew. | 492 | 28 | 28 | 27½ | 27½ |
| 29½ | 23½ | 1.20+*.20 | | Do. V.T. | 250 | 27 | 27½ | 27 | 27½ |
| 19¾ | 17 | 1.00 | 5.9 | Silknit | 75 | 17 | 17 | 17 | 17 |
| 11¾ | 10 | .60 | 5.2 | Silverwoods A | 485 | 11¾ | 11¾ | 11½ | 11½ |
| 12 | 9 | ‡.30 | ... | Do. (B) | 8 | 11½ | 11½ | 11½ | 11½ |
| 100 | 95 | 5.00 | 5.0 | Simon & Sons pf | 35 | 100 | 100 | 100 | 100 |
| 21⅞ | 14⅜ | .50 | 2.6 | Simpson | 1931 | 19⅝ | 19½ | 19½ | 19¾ |
| 14⅜ | 12 | .60 | 4.7 | Slater, N. | 325 | 12½ | 12¾ | 12½ | 12¾ |
| 53½ | 47½ | 2.80 | 5.4 | Somerville pf. | 205 | 51⅝ | 52 | 51½ | 51½ |
| 37 | 29 | *1.60 | ... | Southam | 705 | 36½ | 37 | 36½ | 37 |
| 149 | 124 | 6.00+▴▴*1.00 | | S. Can. Pr. p. | 21 | 141 | 145 | 140 | 145 |
| 29⅝ | 20 | ‡.37½+*.50 | | St. Pav. | 1055 | 27½ | 29¾ | 27½ | 28⅝ |
| 12 | 7 | .60 | 5.0 | Stand. Radio A. | 150 | 11½ | 12 | 11⅞ | 12 |
| 24 | 18½ | .80+‡.10 | | Stedman Bros. | 960 | 22¼ | 23½ | 22¼ | 22¾ |
| 47 | 29 | ‡.30+.30 | | Steel of Can. | 5051 | 42½ | 45 | 42½ | 45 |
| 15 | 12 | .80+*.20 | | Stuart, D. A. | 50 | 14 | 14½ | 14½ | 14½ |
| 36 | 32½ | *stk+.30 | | Sun Publishing | 60 | 36 | 36 | 36 | 36 |
| 20½ | 15¾ | .80 | 3.9 | Sup. Pete. Ord. | 1798 | 20 | 20½ | 20 | 20½ |
| 20½ | 15⅝ | .80 | 3.9 | Do. Com. | 25 | 19 | 20½ | 20½ | 20½ |
| 105 | 101 | 5.00 | 4.9 | Do. pref. | 50 | 102¾ | 103 | 102¾ | 103 |
| 8½ | 4½ | | ... | Sup. Propane | 1065 | 8½ | 8½ | 8½ | 8½ |
| 25½ | 23 | 1.40 | 5.5 | Do. pref. | 325 | 25 | 25½ | 25½ | 25½ |
| 3.70 | 1.65 | *.18 | ... | Switson Ltd. | 2000 | 3.30 | 3.50 | 3.35 | 3.40 |
| 50 | 37½ | 1.00+‡.65 | | Tamblyn | 328 | 42¾ | 45 | 43¼ | 44 |
| 10½ | 8½ | .40+‡.10 | | Taylor Pearson | 125 | 10 | 9¾ | 9¾ | 9¾ |
| 12¼ | 10 | .50 | 4.5 | Do. 5% pref. | 350 | 11 | 11 | 10¾ | 11 |
| 6.00 | 4.80 | .26 | 4.4 | 3rd Cdn. G. I. | 300 | 6 | 6 | 5¾ | 5¾ |
| 35½ | 23 | 1.60+*Stk. | | Thrift Stores | 3102 | 33¾ | 34½ | 33 | 33 |
| 25 | 17½ | .60 | 3.3 | Tip Top Tailors | 30 | 19 | 18 | 18 | 18 |
| 18½ | 13½ | .80 | 4.4 | Tor. Elevators | 265 | 18 | 18½ | 18 | 18 |
| 38½ | 30 | 1.40 | 3.9 | Tor. Gen. Tr. | 100 | 36 | 36½ | 36 | 36 |
| 29 | 16 | 1.00+*.20 | | Toronto Iron | 540 | 21½ | 22 | 21½ | 22 |
| 31 | 17 | 1.00+*.20 | | Do. A | 80 | 22 | 22 | 22 | 22 |
| 45 | 32⅞ | ‡.60 | ... | Traders Fin. A | 5382 | 41 | 43½ | 41½ | 43 |
| 42½ | 32½ | ‡.60 | ... | Do. (B) | 150 | 42 | 41 | 41 | 41 |
| 47¾ | 40¾ | 2.00 | 4.3 | Do. 5% pref. | 1280 | 46 | 46½ | 45½ | 46 |
| 37 | 19½ | . | ... | Trans Mt. Oil | 9145 | 35½ | 36 | 34½ | 35 |
| 150 | 130 | 7.00 | 4.8 | Tuckett Tob. p. | 13 | 142 | 145 | 145 | 145 |
| 18 | 9 | . | ... | Union Accept. | 1335 | 15⅛ | 18 | 15½ | 18 |
| 46½ | 33 | 1.40 | 3.1 | Union Gas | 1372 | 45 | 45½ | 44½ | 45½ |
| 21 | 12¾ | .40+*.25 | | United Corp. B. | 350 | 20 | 20¾ | 20⅛ | 20¼ |
| 62 | 56½ | 3.00 | 4.9 | United Fuel A pf | 35 | 62 | 61½ | 61 | 61 |
| 31 | 24 | *1.00 | .. | Do. B pref. | 635 | 30¾ | 30½ | 30 | 30 |
| 18⅞ | 16 | 1.00 | 5.8 | United Grain A. | 317 | 18 | 17¾ | 17 | 17¼ |
| 15 | 11½ | 1.00 | 6.7 | United Steel | 5385 | 14½ | 15 | 14½ | 14¾ |
| 7 | 5¼ | | ... | Vanad.-All | 500 | 5¾ | 5¾ | 5¼ | 5¼ |
| 60 | 51½ | 2.00+‡1.00 | | Viau Limited | 7 | 58 | 56 | 56 | 56 |
| 16 | 13 | 1.25 | 8.3 | Vir. Dare 5% pf. | 330 | 15½ | 16 | 15 | 15¼ |
| 13¾ | 10 | ‡.15 | ... | Wabasso Cot. | 700 | 12½ | 13 | 12½ | 12¼ |
| 69½ | 50 | 3.00+*1.00 | | Walker-Good. | 5480 | 68 | 68 | 66 | 67 |
| 13 | 9 | ♦♦.25 | . | Watermans Pen. | 2326 | 13 | 13 | 12⅝ | 12¾ |
| 8.50 | 4.30 | ♦♦*.25 | .. | Waterous Equip | 570 | 8 | 8½ | 8½ | 8½ |
| 23¼ | 20 | 1.20+*.20 | | Westeel | 825 | 22½ | 22¾ | 22½ | 22¾ |
| 24 | 17¼ | 1.00 | 4.3 | West. Can. Brew. | 1036 | 23½ | 23¾ | 23¼ | 23½ |
| 123 | 62 | ‡1.00 | .. | West. Grocers | 70 | 102 | 100 | 95 | 100 |
| 39½ | 33 | 2.00 | 5.2 | Do. (A) | 175 | 38½ | 39 | 38 | 38½ |
| 12½ | 8¾ | *.12½ | .. | Western Ply. B. | 2970 | 12 | 12½ | 11¾ | 12½ |
| 22½ | 13 | .50 | 2.3 | Westminster P A | 200 | 22½ | 22 | 22 | 22 |
| 22⅞ | 12 | ‡.17½+*.12½ | | Do. (B) | 1750 | 22¼ | 22½ | 22 | 22½ |
| 64½ | 34½ | 1.00 | 1.6 | Weston, George | 5076 | 61¼ | 62½ | 59½ | 62 |
| 105½ | 95½ | 4.50 | 4.3 | Do. 4½% pref. | 140 | 104½ | 105 | 104 | 105 |
| 20 | 12½ | . | ... | White Pass Y | 78 | 20 | 18 | 17 | 18 |
| 8 | 5¾ | • | ... | Wilson, J. C. | 25 | 5¾ | 5¾ | 5¾ | 5¾ |
| 33¾ | 28 | *.50 | ... | Windsor Hotel | 100 | 28½ | 30 | 30 | 30 |
| 19½ | 7¾ | . | ... | Winnipeg Gas | 3938 | 18⅜ | 18⅜ | 17½ | 18½ |
| 105 | 97½ | 5.00 | 5.0 | Winnipeg Elec. p | 25 | 102 | 102½ | 101 | 101 |
| 6 | 3 | | ... | Wood, Alex. | 5 | 3½ | 3½ | 3½ | 3½ |
| 3.75 | 2.00 | • | ... | York Knitting A. | 145 | 2.10 | 2.00 | 2.00 | 2.00 |
| 27½ | 20 | .90+‡.10 | | Zellers | 1265 | 26 | 27 | 26 | 27 |
| 53 | 52½ | . | ... | Do. 4½% pref. | 55 | 53 | 53 | 52½ | 52½ |

▴U. S. funds. ▴▴Participating divd. •Dividend deferred.
■Plus stk. divd. ♦♦Initial. ♦Shown in francs. ■■On arrears.
*Paid in 1954. ‡Payable in 1955.

## Mining Stocks

Week Ended Jan. 28

| Range 1954-55 High | Low | Div. Rate $ | Company | Sales | Last Jan. 21 | Week Ending January 28 High | Low | Close |
|---|---|---|---|---|---|---|---|---|
| .16 | .09 | ... | Acadia Uran. | 27,300 | .12 | .13 | .11½ | .12½ |
| 3.80 | 2.85 | ... | Aconic | 525 | 3.75 | 3.75 | 3.75 | 3.75 |
| 1.00 | .59 | ... | Akaitcho | 4,910 | .60 | .70 | .60 | .60 |
| 15.25 | 3.25 | ... | Algom | 36,763 | 15.00 | 15.00 | 13.25 | 13.50 |
| .25 | .03 | ... | Alta. | 2,000 | .10 | .10 | .09 | .10 |
| .18½ | .12 | ... | Amal. Lard. | 500 | .14 | .14½ | .14½ | .14½ |
| .37 | .09 | ... | Amer'm. | 34,000 | .26 | .26 | .17½ | .19 |
| 1.30 | .75 | *.04 | Amer. Neph. | 80,450 | 1.04 | 1.30 | 1.04 | 1.24 |
| .17 | .09 | ... | Amer. Stand. | 1,600 | .10 | .09½ | .09½ | .09½ |
| 3.80 | 2.35 | ... | Anacon Ld. | 27,700 | 3.10 | 3.20 | 3.00 | 3.10 |
| 15.00 | 12.25 | .50 | Anglo-Hur. | 100 | 13.00 | 13.00 | 13.00 | 13.00 |
| .63 | .20 | ... | Anglo-Rou. | 10,500 | .46 | .46 | .43 | .46 |
| .15½ | .06 | ... | Ankeno | 124,500 | .11 | .12 | .10 | .10½ |
| .35 | .17 | ... | Aquarius | 22,000 | .18 | .19 | .18 | .18 |
| .80 | .28 | ... | Area | 55,400 | .60 | .70 | .55 | .55 |
| .20 | .07 | ... | Arjon | 17,500 | .16 | .16 | .14 | .14½ |
| .24 | .11 | ... | Armistice | 17,300 | .12½ | .13 | .12 | .12½ |
| .11 | .06 | ... | Arnora | 17,000 | .09 | .10 | .09½ | .10 |
| .63 | .36 | ... | Ascot Met. | 52,150 | .46 | .49 | .45 | .46 |
| .35 | .07 | ... | Atlas Sulp. | 16,432 | .24½ | .26 | .21 | .26 |
| .11 | .05½ | ... | Atlin-Ruff. | 4,500 | .07½ | .07 | .07 | .07 |
| .13 | .06½ | ... | Aubelle | 25,500 | .10 | .10½ | .09 | .09 |
| .39 | .15 | ... | Aumacho | 200,256 | .19¾ | .26 | .20 | .20½ |
| .20 | .08½ | ... | Aumaque | 121,900 | .15 | .17 | .12½ | .13 |
| 2.45 | 1.96 | .16 | Aunor | 6,875 | 2.15 | 2.15 | 2.10 | 2.10 |
| .22 | .08½ | ... | Avillabona | 133,600 | .13½ | .15 | .12½ | .12½ |
| .24 | .12 | ... | Bagamac | 40,800 | .14½ | .15 | .13½ | .13½ |
| .04 | .01 | ... | Band Ore | 1,500 | .03¼ | .03¼ | .03¼ | .03¼ |
| .09¾ | .05 | ... | Bankfield | 10,266 | .07 | .08 | .07 | .07½ |
| 2.10 | 1.00 | ... | Barnat | 816,215 | 1.84 | 2.10 | 1.27 | 1.32 |
| .17 | .04 | ... | Barvallee | 1,000 | .11 | .07 | .07 | .07 |
| 1.80 | 1.26 | ... | Barvue | 20,320 | 1.50 | 1.50 | 1.44 | 1.49 |
| .90 | .30 | ... | Do. warr. | 2,800 | .32 | .50 | .42 | .45 |
| 2.85 | 1.40 | *.15 | Barymin | 9,125 | 2.60 | 2.60 | 2.45 | 2.55 |
| .54 | .13 | ... | Base Metals | 120,550 | .49½ | .52 | .47 | .48 |
| .84 | .20 | ... | Baska | 871,150 | .65 | .64 | .51 | .57 |
| 1.10 | .21 | ... | Bathurst | 9,550 | .80 | .85 | .70 | .85 |
| .06 | .02½ | ... | Beatrice | 4,500 | .05 | .06 | .05 | .06 |
| .50 | .18 | ... | B'Tie'duq | 24,044 | .33 | .36 | .30 | .31 |
| 5.50 | 2.90 | ... | Beaucage | 2,400 | 3.75 | 3.75 | 3.65 | 3.65 |
| .80 | .35 | ... | Beaver L'ge | 102,450 | .65 | .68 | .56 | .58 |
| .60 | .37 | ... | Belcher | 29,745 | .42 | .48 | .41 | .41½ |
| 1.10 | .60 | ... | Bellechase | 12,000 | .82 | .80 | .70 | .70 |
| .18 | .05 | ... | Belle Chib. | 7,500 | .16 | .15 | .12 | .13 |
| .24 | .05 | ... | Bellekeno | 73,650 | .10½ | .11½ | .09¾ | .10 |
| 4.50 | 2.70 | ‡.05 | Belleterre | 200 | 2.95 | 3.00 | 3.00 | 3.00 |
| .85 | .42 | ... | Berens R. | 1,000 | .75 | .75 | .75 | .75 |
| .43 | .15 | ... | Beta Gam. | 28,500 | .30 | .30 | .25½ | .28 |
| .35 | .17 | ... | Bevcourt | 87,610 | .19 | .20 | .18 | .18 |
| .16 | .08 | ... | Bibis-Yuk. | 39,200 | .10½ | .12 | .10 | .11 |
| .12 | .05½ | ... | Bidgood | 45,500 | .06½ | .08 | .06½ | .08 |
| .42 | .22 | ... | Bobjo | 26,600 | .26 | .28 | .25 | .25 |
| .31 | .10 | ... | Bonville | 110,200 | .23 | .23 | .17 | .18½ |
| .10 | .05¾ | ... | Bordulac | 8000 | .06¾ | .07½ | .06¾ | .07 |
| 2.95 | 2.00 | ... | Boreal | 24,245 | 2.77 | 2.80 | 2.62 | 2.65 |
| .30 | .05 | ... | Bouscadillac | 89,800 | .16½ | .17 | .13½ | .14½ |
| .05 | .02⅞ | ... | Bouzan | 19,500 | .03 | .05 | .02¾ | .04½ |
| .20 | .07 | ... | Boymar | 33,496 | .09¾ | .09½ | .08½ | .09½ |
| 4.25 | 2.65 | ... | Bralorne | 1,590 | 2.80 | 2.85 | 2.80 | 2.80 |
| .15 | .05 | ... | Brewis | 111,200 | .10 | .11½ | .10 | .10¾ |
| 2.55 | 1.25 | ... | Brilund | 30,650 | 1.87 | 1.90 | 1.74 | 1.80 |
| 2.25 | 1.37 | *.09 | Broulan Reef | 73,000 | 1.55 | 1.75 | 1.53 | 1.75 |
| .18½ | .06½ | ... | Brunhurst | 227,400 | .08 | .13 | .08 | .10 |
| .25 | .07½ | ... | Brunsman | 122,700 | .14½ | .16 | .12 | .13½ |
| .42 | .14 | ... | Brunston | 22,000 | .25 | .24 | .20 | .22 |
| 13.00 | 6.00 | ... | Brunswick | 2,705 | 10.00 | 10.25 | 9.75 | 10.00 |
| 1.45 | 1.00 | ... | Buckles | 22,475 | 1.19 | 1.18 | 1.00 | 1.06 |
| .09 | .05 | ... | Buffadison | 11,000 | .06 | .07 | .05½ | .06 |
| .75 | .55 | ... | Buffalo Ank. | 2,000 | .64 | .66 | .64 | .64 |
| .29 | .13 | ... | Buff. Can. | 9,500 | .15 | .15 | .14 | .14 |
| .06⅞ | .03⅞ | ... | Buff. R.L. | 7,470 | .04¾ | .05 | .04½ | .05 |
| .16½ | .08½ | ... | Bulldog Yk. | 1,000 | .10 | .09 | .09 | .09 |
| 7.25 | 5.60 | *1.00 +1.00 | Bulolo Gold | 1,985 | 6.50 | 6.70 | 6.50 | 6.65 |
| .34 | .08 | ... | Bunker Hill | 78,800 | .23 | .34 | .22 | .34 |
| .30 | .15 | ... | Calder B. | 42,700 | .18½ | .20 | .15 | .17 |
| .21 | .13 | ... | Callinan | 21,500 | .17 | .18 | .16 | .15½ |
| 2.35 | .14 | ... | Calumet | 25,000 | .40 | .40 | .25 | .32 |
| 7.00 | 2.55 | ... | Camp. Chib. | 77,877 | 5.70 | 7.00 | 5.75 | 7.00 |
| 9.30 | 6.70 | ‡.07½ +.05 | Camp. R.L. | 11,683 | 8.85 | 9.00 | 8.65 | 9.00 |
| .95 | .60 | ... | Canadian Lith. | 2,900 | .78½ | .79 | .70 | .74 |
| .67 | .38 | ... | Cdn. Mal. | 7,750 | .44 | .43 | .40 | .40 |
| .70 | .48 | ... | Can.-M. Ex. | 43,305 | .59 | .61 | .48 | .54 |
| 1.17 | .65 | ... | Cariboo | 9,200 | 1.03 | 1.05 | .95 | .95 |
| .45 | .20 | ... | Carnegie | 7,900 | .31 | .31 | .25½ | .28 |
| 8.15 | 5.25 | ... | Cassiar Asb. | 37,198 | 8.15 | 8.15 | 7.40 | 7.75 |
| 3.30 | 2.39 | *.20 | Castle Tre. | 1,800 | 3.05 | 3.10 | 3.05 | 3.05 |
| .13 | .05 | ... | Celta Dev. | 21,500 | .09 | .12 | .09 | .11 |
| 1.00 | .67 | ... | Cen. Pat. | 23,800 | 1.00 | .89 | .75 | .79 |
| .24 | .13 | ... | Cen. Porc. | 18,100 | .19 | .20 | .18½ | .20 |
| 1.45 | .65 | ... | Centre Lake | 13,950 | .75 | .80 | .71 | .71 |
| .12 | .06 | ... | Cent'que | 16,500 | .07 | .09 | .07 | .09 |
| 4.30 | 1.52 | ... | Chem. Res. | 23,262 | 3.90 | 3.90 | 3.70 | 3.80 |
| .07¾ | .03¼ | ... | Cheskirk | 12,800 | .05½ | .05½ | .05½ | .05½ |
| .58¾ | .26 | ... | Chesterv'le | 5,750 | .33 | .33½ | .32 | .33 |
| 1.20 | .40 | ... | Chib. Expl. | 18,800 | .85 | .90 | .84 | .86 |
| 2.09 | 1.02 | ... | Chimo G. | 95,530 | 1.58 | 1.65 | 1.38 | 1.39 |
| 3.00 | 1.50 | ... | Chromium | 1,300 | 1.85 | 2.00 | 2.00 | 2.00 |
| .23 | .05 | ... | Citralartic | 237,751 | .22 | .23 | .17 | .18 |
| 1.50 | .65 | ... | Cobalt | 47,605 | 1.07 | 1.10 | 1.00 | 1.09 |
| 1.30 | .65 | ... | Cochenour | 8,700 | .80 | .81 | .80 | .80 |
| 1.34 | .94 | ... | Cody-Reco. | 4,600 | 1.25 | 1.32 | 1.24 | 1.30 |
| .11 | .07 | ... | Coin Lake | 16,770 | .09½ | .11 | .09 | .10 |
| .42 | .10 | ... | Col'Stream | 9,625 | .15 | .15 | .12 | .15 |
| .06½ | .03½ | ... | Colomac | 6,500 | .05 | .05 | .05 | .05 |
| 1.95 | .55 | ... | Coniagas | 1,200 | 1.75 | 1.85 | 1.71 | 1.85 |
| .53 | .41 | ... | Coniaurum | 4,100 | .49 | .53 | .46 | .46 |
| .20 | .06½ | ... | Cons. Ast'a. | 32,400 | .10¾ | .11 | .09¾ | .11 |
| .06⅞ | .03¼ | ... | Cons. C. Cad. | 39,620 | .05¾ | .06⅞ | .06 | .06⅞ |
| 3.35 | .30 | ... | Cons. Den'n | 926,321 | 2.85 | 3.00 | 2.10 | 2.20 |
| 3.05 | 1.80 | *.15 | Cons. Disc'y | 21,012 | 2.80 | 2.80 | 2.65 | 2.75 |
| 2.65 | 2.45 | ... | Cons. Fen're | 11,744 | 2.50 | 2.65 | 2.45 | 2.55 |
| .45 | .10 | ... | Cons. Gillies | 14,600 | .15 | .17 | .13½ | .15 |
| .45 | .20 | ... | Cons. G. Ar. | 3,575 | .28 | .27 | .26 | .27 |
| .53 | .25 | ... | C. Guayana | 1,000 | .30 | .29 | .29 | .29 |
| .59 | .08 | ... | C. Hal'well | 912,262 | .44 | .52½ | .44 | .51 |
| 3.50 | 2.30 | ... | Cons. H'y | 24,060 | 3.05 | 3.10 | 2.87 | 3.05 |
| .35 | .10½ | ... | Cons. Mat. | 21,750 | .14 | .15 | .12 | .13 |
| 1.70 | .65 | ... | Cons. Mosher | 28,450 | .71 | .72 | .65 | .66 |
| .28 | .10 | ... | Cons. Nich. | 32,332 | .25½ | .26 | .21 | .21½ |
| 1.24 | .55 | ... | Cons. Nor'd | 104,811 | .73 | .84 | .55 | .76 |
| .16 | .05 | ... | Cons. Orlac | 110,150 | .13 | .15 | .12½ | .14 |
| .90 | .30 | ... | Cons. Que. | 3,500 | .90 | .90 | .85 | .85 |
| 1.05 | .33 | ... | C. Ranwick | 21,500 | .50 | .54 | .50 | .51½ |
| .11½ | .05 | ... | Cons. Roch. | 86,850 | .08 | .08½ | .07 | .07½ |
| .12 | .07 | ... | C. San'rm | 2,500 | .09½ | .10½ | .10 | .10 |
| 32.00 | 21.87½ | .80+‡.35 | Cons. Smelt. | 30,532 | 30.75 | 32.00 | 30.50 | 31.50 |
| 2.45 | 2.04 | ... | C. Sudbury. | 105,005 | 2.19 | 2.45 | 2.14 | 2.30 |
| 4.15 | 2.95 | ... | Conwest | 24,245 | 4.05 | 4.15 | 3.75 | 3.80 |
| .18 | .09 | ... | Copper M. | 15,150 | .14 | .15 | .11½ | .13 |
| .03½ | .02⅛ | ... | Cortez | 5,000 | .03 | .03 | .02½ | .02½ |
| 1.05 | .16¾ | ... | Coulee | 732,785 | .91 | 1.05 | .65 | .84 |
| .18 | .05½ | ... | Cournor | 100,500 | .14 | .18 | .10 | .10 |
| .09⅝ | .06½ | ... | Crestaurum | 2,000 | .07½ | .07½ | .07½ | .07½ |
| .90 | .56 | ... | Croft | 28,350 | .76 | .75 | .60 | .62 |
| .12 | .06 | ... | Crowshore | 19,000 | .07½ | .07½ | .06½ | .07 |
| .26 | .10 | ... | D'Aragon | 620,125 | .19 | .26 | .17 | .21 |
| 1.17 | 1.05 | ... | Deer-Horn | 5,000 | 1.17 | 1.17 | 1.16 | 1.17 |
| .42 | .16⅝ | ... | D'Eldona | 98,033 | .27 | .30 | .27 | .28½ |
| 1.25 | .95 | .04 | Delnite | 3,500 | .95 | 1.00 | .99 | .99 |
| .25 | .12 | ... | Detta Min. | 125,300 | .18 | .19 | .16 | .17 |
| 17.75 | 14.12½ | .70 | Dome. M. | 999 | 17.00 | 17.00 | 16.50 | 16.50 |
| .55 | .14 | ... | Dom. Asb. | 33,800 | .18 | .19½ | .17 | .19 |
| .62 | .35 | ... | Donalda | 70,600 | .38 | .44 | .36 | .38 |
| .07½ | .03½ | ... | Doreen | 500 | .03¾ | .04 | .04 | .04 |
| .35 | .15 | ... | Duvex | 10,075 | .18 | .21 | .19 | .19 |
| 1.50 | .69 | ... | Dyno | 225,650 | 1.14 | 1.30 | 1.10 | 1.27 |
| .11½ | .06½ | ... | East Amph. | 4,500 | .09 | .09¾ | .08 | .08 |
| 3.45 | 1.90 | ‡.10 | East Mal. | 66,785 | 2.78 | 2.95 | 2.60 | 2.63 |
| 5.90 | 3.35 | *.40 | East Sull. | 41,585 | 5.05 | 5.70 | 5.00 | 5.40 |
| 1.43 | .50 | ... | East. Metals | 213,600 | .72 | .80 | .69 | .78 |
| 3.10 | 2.25 | ... | East Smelt. | 400 | 2.40 | 2.40 | 2.35 | 2.35 |
| .83 | .42 | *.02 | Elder | 9,199 | .78 | .75 | .70 | .73 |
| .64 | .45 | ... | Eldrich | 90,500 | .61 | .63 | .60 | .61½ |
| .10 | .04⅞ | ... | El-Pen-Rey. | 35,170 | .08 | .09¾ | .07½ | .08½ |
| .15 | .06 | ... | El Sol | 29,500 | .11¾ | .12 | .08 | .10 |
| .43 | .16 | ... | Emerald | 18,100 | .28 | .28 | .23 | .23 |
| .25 | .09½ | ... | Estella | 45,100 | .11½ | .12 | .10 | .11 |
| 1.54 | .54 | ... | Eureka | 57,683 | 1.28 | 1.45 | 1.18 | 1.35 |
| .50 | .18 | ... | Do. warr. | 4,500 | .40 | .39 | .30 | .39 |
| .57½ | .15 | ... | Fab. Met. | 17,600 | .38 | .45 | .39 | .39 |
| 24.75 | 14.25 | .50 | Falconbridge | 18,642 | 23.50 | 24.62½ | 23.25 | 24.50 |
| 2.62 | .71 | ... | Faraday | 426,890 | 2.45 | 2.45 | 1.85 | 2.15 |
| .13½ | .07 | ... | Federal | 8,700 | .10½ | .10½ | .10½ | .10½ |
| .03½ | .02 | ... | Fontana '45 | 1,000 | .02 | .02 | .02 | .02 |
| .10 | .04½ | ... | Francoeur | 5,200 | .06 | .06½ | .06 | .06 |
| 5.40 | 3.80 | ... | Frobisher | 55,631 | 4.25 | 4.40 | 4.20 | 4.40 |
| 1.06 | .30 | ... | Do. warr. | 3,400 | .90 | 1.00 | .85 | .85 |
| 92.00 | 84.00 | ... | Do. 4% deb. | 490 | 87.87½ | 87.50 | 87.25 | 87.50 |
| .80 | .16½ | ... | Gaitwin | 15,360 | .52 | .55 | .52 | .52 |
| 22.00 | 17.50 | ... | Gaspe Cop. | 700 | 20.00 | 22.00 | 20.25 | 22.00 |
| 13.00 | 5.55 | ... | Geco Lake | 23,852 | 11.25 | 11.75 | 10.75 | 11.00 |
| .38 | .04 | ... | Gen. Lake | 139,550 | .16 | .17 | .12 | .13 |
| .58 | .38 | ... | Giant Mas. | 7,650 | .52 | .54 | .52 | .54 |
| 9.70 | 7.45 | ‡.20 | Giant Yk. | 6,500 | 7.60 | 7.75 | 7.45 | 7.50 |
| .28 | .03 | ... | Glenora | 415,640 | .23 | .28 | .19½ | .22 |
| 1.00 | .54 | ... | God's Lake | 96,657 | .70 | .75 | .70 | .71 |
| .37 | .21 | ... | Goldale | 36,900 | .31 | .33 | .28 | .29 |
| .25 | .10 | ... | Gold Crest | 46,300 | .16 | .16 | .14 | .15½ |
| .17 | .05 | ... | Gold Eagle | 20,500 | .13 | .13 | .11½ | .11½ |
| 2.50 | 1.32 | ... | Gold Man. | 13,900 | 1.90 | 2.19 | 2.00 | 2.10 |
| .82 | .29½ | ... | Goldfields | 25,000 | .61 | .64 | .55 | .58 |
| .41 | .03¾ | ... | Goldhawk | 102,800 | .30 | .30 | .25 | .25 |
| .03½ | .01 | ... | Gold Lake | 4,200 | .01 | .02 | .01 | .02 |
| .08⅞ | .03½ | ... | Goldora | 6,000 | .06½ | .06½ | .05¾ | .05¾ |
| .13½ | .03 | ... | Goodfish | 113,600 | .09 | .09 | .07¾ | .09 |
| .49 | .24 | ... | Graham B. | 41,400 | .40 | .42 | .34 | .35 |
| 13.00 | 7.25 | ‡▴.50 | Granby | 300 | 12.37½ | 12.50 | 12.50 | 12.50 |
| .29 | .14 | ... | Grandines | 807,284 | .20 | .28 | .18 | .19 |
| .28 | .15 | ... | Grandview | 500 | .25 | .28 | .28 | .28 |
| .78 | .17 | ... | Gui-Por. Ur. | 40,025 | .67 | .72 | .56 | .56 |
| 1.15 | .98 | ... | Gulch Lead | 61,350 | 1.13 | 1.13 | .98 | .98 |
| .13 | .06½ | ... | Gulf Lead | 43,000 | .09½ | .09¾ | .09 | .09½ |
| 13.50 | 8.00 | ... | Gunnar G. | 67,537 | 12.87½ | 13.50 | 12.62½ | 13.12½ |
| 6.00 | 3.60 | ... | Do. warr. | 12,290 | 5.35 | 6.00 | 5.40 | 5.75 |
| .12 | .05 | ... | Gwillim L. | 28,500 | .09¾ | .10 | .08¾ | .10 |
| .22 | .07 | ... | Hamil. | 7,000 | .11 | .12 | .11 | .11 |
| .25 | .10¾ | ... | Hard Rock | 30,100 | .14 | .15 | .13 | .13½ |
| .17¾ | .06 | ... | Harr. Hibb. | 292,100 | .07½ | .12½ | .08 | .09¾ |
| .37 | .14 | ... | Hasaga | 12,666 | .19½ | .22 | .19½ | .20 |
| .45 | .11 | ... | H. of Lakes | 6,500 | .13 | .13½ | .12½ | .12½ |
| .68 | .10 | ... | Headway | 1,303,459 | .58 | .68 | .40 | .50½ |
| .13½ | .06 | ... | Heath | 186,700 | .10½ | .11½ | .10 | .11½ |
| .07½ | .03½ | ... | Heva G.M. | 24,350 | .04½ | .04¾ | .04 | .04¾ |
| .51 | .30 | ... | High. Bell | 12,800 | .43 | .45 | .44 | .45 |
| 19.25 | 11.87½ | .24 | Hollinger | 5,242 | 15.87½ | 16.25 | 15.75 | 15.87½ |
| .30 | .14 | ... | Homer Yk. | 109,800 | .15½ | .17½ | .15½ | .15½ |
| 3.20 | 1.70 | ... | Hoyle | 4,850 | 2.65 | 3.20 | 2.60 | 3.00 |
| 56.87½ | 37.50 | .50 | Hudson Bay | 11,658 | 53.00 | 56.87½ | 53.37½ | 56.00 |
| .57 | .25 | ♦♦*.02 | Hugh Pam. | 1,000 | .28 | .26 | .25 | .26 |
| .05¾ | .03¾ | ... | Indian L. | 10,000 | .04½ | .05 | .04½ | .04¾ |
| .07½ | .03 | ... | Indian M. | 1,000 | .04½ | .04 | .04 | .04 |
| 3.35 | 1.75 | ... | Inspiration | 23,621 | 2.10 | 2.15 | 2.02 | 2.06 |
| 59.75 | 34.12½ | ▴2.00 +.90 | Int. Nickel | 36,070 | 56.50 | 59.75 | 56.50 | 59.00 |
| 136.00 | 128.00 | ▴7% | Do. pfd. | 230 | 134.50 | 134.75 | 134.37½ | 134.50 |
| .89 | .37 | ... | Iso. Uran. | 21,700 | .49 | .49 | .41 | .42 |
| .04 | .02 | ... | Jack Lake | 9,000 | .03 | .04 | .03½ | .04 |
| .10½ | .04¾ | ... | Jacknife | 30,200 | .06 | .07½ | .06 | .07½ |
| .14 | .07½ | ... | Jack Waite | 5,000 | .11 | .11½ | .11 | .11 |
| .14 | .06½ | ... | Jaculet | 57,433 | .08½ | .11½ | .09 | .10½ |
| .41 | .17 | ... | Jardun | 13,200 | .31 | .32 | .27 | .31 |
| .28½ | .05½ | ... | Jellicoe | 24,433 | .14½ | .15 | .12 | .14 |
| .23 | .07¾ | ... | Joburke | 55,700 | .15½ | .16½ | .11 | .12 |
| .73 | .29½ | ... | Joliet Que. | 39,010 | .57 | .58 | .52 | .53½ |
| .86 | .16 | ... | Jonsmith | 790,280 | .78 | .85 | .64 | .67 |
| .14 | .05 | ... | Kay Rand | 716,700 | .11½ | .14 | .10 | .12 |
| .10½ | .03 | ... | Kenmayo | 45,000 | .05½ | .06 | .04½ | .05 |
| .09½ | .05 | ... | Kenville | 15,000 | .07½ | .07½ | .07 | .07 |
| 19.00 | 16.00 | .80 | K. Addison. | 8,514 | 16.50 | 16.50 | 16.25 | 16.50 |
| .60 | .21 | ... | Kerr Lake | 63,052 | .26 | .29 | .28 | .29 |
| .20 | .08 | ... | Keyboycon | 54,000 | .16½ | .17 | .13 | .15 |
| 1.10 | .52 | ... | Keymet | 8,400 | .66 | .70 | .66 | .70 |
| .90 | .45 | ... | Kirk. H. B. | 1,000 | .49 | .49 | .47 | .47 |
| .50 | .35 | ... | Kirk. Lake | 18,205 | .45½ | .46 | .39½ | .41 |
| .24 | .10 | ... | Kirk. Town | 2,500 | .13 | .12½ | .12½ | .12½ |
| .15 | .04¾ | ... | Klond. Ko | 52,700 | .08½ | .09½ | .07½ | .08½ |
| .28 | .09½ | ... | Kontiki Ld. | 1,000 | .11 | .12 | .12 | .12 |
| .04 | .02 | ... | Koot. Base. | 500 | .02 | .02 | .02 | .02 |
| .49 | .14 | ... | Kristina C. | 313,119 | .15 | .29 | .14 | .20 |
| 10.75 | 7.50 | ... | Labrador | 2,200 | 9.00 | 9.25 | 8.90 | 9.25 |
| .24 | .07½ | ... | Lafayette A. | 12,500 | .10 | .09½ | .09 | .09½ |
| 1.03 | .61 | *.02 | L. Dufault | 67,800 | .78 | .97 | .79 | .95 |
| .25¾ | .10 | ... | L. Lingman | 52,300 | .23 | .23 | .16 | .18½ |
| .37 | .16½ | ... | Lake Osu | 72,800 | .32 | .37 | .27 | .27 |
| 6.60 | 5.05 | *.10 | Lake Shore | 1,910 | 6.15 | 6.15 | 5.75 | 5.85 |
| .28 | .18 | ... | Lake Wasa | 4,300 | .24 | .25 | .21 | .20 |
| 2.50 | 1.30 | .10 | La Luz | 1,000 | 2.20 | 2.20 | 2.10 | 2.10 |
| 4.35 | 3.55 | ‡.08 | Lamaque G. | 2,475 | 4.20 | 4.35 | 3.85 | 3.85 |
| .16¾ | .05 | ... | Lapa Cad. | 3,500 | .14 | .13 | .12 | .12 |
| .10½ | .05 | ... | Lavalie | 6,500 | .06 | .06 | .06 | .06 |
| .82 | .60 | *.02 | Leitch Gold | 11,350 | .77 | .75 | .68 | .72 |
| .14 | .06½ | ... | Lencourt | 5,000 | .09 | .09 | .08½ | .09 |

## Significant Investors' Index Numbers

| No. of Securities | Mach. and equip. 11 | Pulp and paper 9 | Milling 3 | Oils 5 | Textiles and clothing 10 | Food and allied prod. 14 | Beverages 10 | Bldg. mater. 15 | Power and traction 9 | Banks 8 | Total utilities 14 | Total co's 101 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *1953 to date: | | | | | | | | | | | | |
| High | 576.2 | 862.0 | 161.5 | 178.6 | 410.5 | 156.1 | 526.5 | 402.9 | 167.8 | 232.6 | 187.1 | 212.1 |
| Low | 69.7 | 51.6 | 61.2 | 41.2 | 78.4 | 79.5 | 79.3 | 66.7 | 60.2 | 60.0 | 62.5 | 61.1 |
| 1954 Monthly Figures: | | | | | | | | | | | | |
| Jan. | 395.3 | 562.6 | 120.3 | 126.1 | 166.8 | 122.9 | 434.5 | 283.6 | 131.5 | 185.5 | 149.1 | 157.4 |
| Feb. | 418.4 | 589.4 | 129.9 | 136.3 | 158.4 | 123.6 | 447.9 | 288.8 | 134.0 | 189.6 | 151.9 | 163.2 |
| Mar. | 432.8 | 596.4 | 131.1 | 136.4 | 166.3 | 123.8 | 440.0 | 285.2 | 137.2 | 192.5 | 153.3 | 165.0 |
| Apr. | 456.8 | 628.5 | 133.9 | 145.4 | 163.1 | 124.6 | 453.8 | 298.6 | 145.0 | 195.4 | 159.5 | 173.6 |
| May | 474.2 | 679.8 | 137.6 | 147.6 | 153.2 | 133.0 | 476.4 | 322.8 | 152.6 | 204.0 | 162.4 | 179.5 |
| June | 469.1 | 685.1 | 134.0 | 142.8 | 151.4 | 136.8 | 474.3 | 321.7 | 151.8 | 212.2 | 167.2 | 180.5 |
| July | 503.6 | 718.4 | 136.3 | 136.2 | 151.6 | 133.5 | 480.1 | 331.4 | 156.4 | 216.4 | 169.4 | 182.3 |
| Aug. | 520.8 | 744.3 | 145.4 | 142.1 | 161.2 | 142.6 | 497.6 | 348.5 | 156.7 | 217.3 | 170.2 | 187.0 |
| Sept. | 510.7 | 750.1 | 151.9 | 145.0 | 154.1 | 144.5 | 509.4 | 347.6 | 159.0 | 215.0 | 170.4 | 189.5 |
| Oct. | 499.0 | 740.0 | 156.8 | 150.8 | 167.0 | 144.9 | 500.0 | 342.7 | 158.8 | 217.4 | 171.4 | 190.2 |
| Nov. | 523.2 | 789.8 | 158.4 | 158.4 | 170.2 | 150.9 | 519.8 | 358.7 | 156.6 | 224.2 | 173.8 | 199.5 |
| Dec. | 554.9 | 830.4 | 156.5 | 163.5 | 173.2 | 150.8 | 521.5 | 385.6 | 162.9 | 227.0 | 181.8 | 206.8 |
| 1954-55 Weekly Figures: | | | | | | | | | | | | |
| Jan. 6 | 546.3 | 827.2 | ▪154.0 | 161.7 | 179.1 | 153.2 | ▪511.5 | 392.5 | 166.0 | ▪230.3 | ▪180.5 | ▪205.6 |
| Jan. 13 | 554.7 | 835.6 | 159.1 | 164.4 | 178.5 | 154.8 | 511.7 | 394.8 | 167.2 | 229.3 | 181.9 | 207.8 |
| Jan. 20 | 551.5 | 836.0 | 159.1 | 159.1 | 180.6 | 154.6 | 512.1 | 393.5 | 163.8 | 230.9 | 180.0 | 206.1 |
| Jan. 27 | 564.3 | 861.1 | 161.5 | 158.9 | 180.1 | 156.1 | 508.5 | 402.9 | 163.6 | 232.6 | 181.6 | 209.6 |

▪Revised.

*High and low for year from 1953 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

### Toronto Stock Exchange Index

| | 20 Indus. | 20 Golds | 15 B.M. | 15 W.O. |
|---|---|---|---|---|
| Jan. 31 | 381.57 | 80.34 | 166.32 | 103.23 |
| Jan. 28 | 380.17 | 79.69 | 165.62 | 103.46 |
| Jan. 27 | 379.83 | 80.75 | 166.65 | 103.20 |
| Jan. 26 | 379.24 | 80.74 | 164.13 | 103.23 |
| Jan. 25 | 376.96 | 80.71 | 164.11 | 102.96 |
| Month Ago | 385.93 | 82.16 | 162.24 | 104.54 |
| Year Ago | 322.54 | 70.79 | 139.44 | 92.54 |
| 1954-55 High | 385.93 | 82.50 | 166.76 | 104.80 |
| 1954-55 Low | 311.65 | 67.74 | 136.96 | 83.06 |

### Montreal Stock Exchange Averages

| | 10 Util. | 20 Indus. | 30 Com. | 10 Pprs. | 15 Golds |
|---|---|---|---|---|---|
| Jan. 31 | 120.4 | 251.8 | 208.0 | 1224.12 | 69.26 |
| Jan. 28 | 119.6 | 251.8 | 207.7 | 1215.43 | 69.38 |
| Jan. 27 | 119.8 | 251.0 | 207.3 | 1209.84 | 69.16 |
| Jan. 26 | 119.2 | 249.7 | 206.2 | 1204.18 | 68.95 |
| Jan. 25 | 118.9 | 246.9 | 204.2 | 1192.05 | 68.73 |
| Mon. Ago | 119.9 | 253.2 | 208.7 | 1166.53 | 71.34 |
| Year Ago | 96.4 | 184.8 | 155.3 | 800.49 | 51.78 |
| 54-55 High | 120.4 | 253.2 | 208.7 | 1224.12 | 71.54 |
| 54-55 Low | 92.4 | 182.0 | 153.4 | 767.09 | 48.69 |

### Dow-Jones Closing Stock Averages

| | 30 Indus. | 20 Rails | 15 Util. | 65 Stocks |
|---|---|---|---|---|
| Jan. 31 | 408.83 | 144.34 | 62.02 | 150.49 |
| Jan. 28 | 404.68 | 144.20 | 61.88 | 149.58 |
| Jan. 27 | 402.60 | 142.22 | 62.33 | 143.74 |
| Jan. 26 | 401.97 | 141.30 | 62.55 | 148.42 |
| Jan. 25 | 397.00 | 140.61 | 62.41 | 147.17 |
| Month Ago | 408.89 | 146.54 | 62.44 | 151.31 |
| Year Ago | 291.84 | 101.53 | 54.11 | 111.09 |
| 1954-55 High | 408.89 | 146.54 | 63.00 | 151.31 |
| 1954-55 Low | 273.87 | 94.34 | 52.22 | 106.03 |

## Unlisted Stocks

(Compiled by Intercity Securities Corporation Limited, Toronto)

January 31, 1955

| | Bid | Asked |
|---|---|---|
| Alexander Bldg. Corp. | 5.00 | 8.00 |
| Algoma C. & H.B. R. c. | 15.25 | 16.00 |
| Do. pfd. | 1.25 | .... |
| Allens Toronto Units | 43.00 | .... |
| Anglin Norcross pfd. | .50 | .... |
| Anglo Can. Telephone A | 13.00 | 13.75 |
| Argus Corp. 2nd pfd. | 53.25 | 54.50 |
| Ash Temple com. | 2.35 | 2.85 |
| Bowes Ltd. 1% pfd. | .65 | .75 |
| Brinton Peterboro Carpet | .... | 46.00 |
| B. C. Sugar | 99.00 | 101.00 |
| Brit. Mtge. & Trust | 210.00 | 217.00 |
| Brockville Trust & Sav. | 62.00 | 65.00 |
| Can. Crushed S. 6% pfd. | 96.00 | 98.50 |
| Can. Cons. Grain com. | 5.00 | 8.00 |
| Can. Cons. Grain Units | 85.00 | .... |
| Can. Delhi Pete | 10.50 | 11.50 |
| Can. Foreign Secur. | 10.75 | 12.00 |
| Can. Foreign Invest. | 27.00 | .... |
| Can. Motor Lamp | 20.00 | 21.50 |
| Can. Refractories pfd. | 94.00 | .... |
| Can. West Nat. Gas pfd. | 18.25 | 19.00 |
| Capital Wire Cloth com. | 14.00 | .... |
| Carlton Club | 110.00 | .... |
| Chase, Dr. A. W., com. | 2.00 | .... |
| Colonial Stmshp. com. | 190.00 | 215.00 |
| Do. pfd. | 67.00 | 71.00 |
| Commercial Life 10% pd. | 13.00 | .... |
| Concourse Bldg. V.T. | 45.00 | .... |
| Cons. Toronto Land W. | .25 | .... |
| Crown Life Insce. | 1,800.00 | 1,850.00 |
| Deben. & Sec. 6% pfd. | 90.00 | 93.50 |
| Detroit Internatl. Bridge | 18.25 | 19.00 |
| Dom. Can. Gen. Insce. | 500.00 | .... |
| Dom. Linseed Oil pfd. | 3.00 | .... |
| Dom. Manufacturers pfd. | 90.00 | .... |
| Do. com. | 1.25 | .... |
| Dom. Royalty Corp. | .52 | .... |
| Dover Industries | 9.35 | 10.00 |
| Empire Accept. Div. 30c | 6.25 | 7.25 |
| Essex Packers com. | 2.00 | 2.50 |
| Do pfd | 35.00 | .... |
| Galt Brass | 38.50 | .... |
| Goderich Elev. & Transit | 21.00 | 22.00 |
| Granite Club | 14.25 | 14.75 |
| Gt. Br. & Can. Inv. com. | 6.00 | 6.50 |
| Do. pt I | 108.00 | .... |
| Gt. Lakes Pwr. com. | 15.00 | 16.00 |
| Gt. West Life Assce | 197.00 | 200.00 |
| Guarantee N. Am. ful. pd. | 415.00 | 440.00 |
| Do. 20% pd. | 84.50 | .... |
| Halifax Insce. | 14.00 | 16.00 |
| Heaps Waterous | 2.00 | 2.50 |
| Highland Dairy pfd. | 43.00 | .... |
| Homewood Sanitarium | .... | 94.00 |
| Hudson's Bay Co. | 22.00 | 22.50 |
| Humber Amusement Pier | .40 | .... |
| Humberstone Shoe | 10.00 | 12.00 |
| Ingram & Bell pfd. | 104.00 | .... |
| Ingersoll Mach. Tool B | 5.00 | .... |
| Indust. Mtge. & Trust | 68.00 | .... |
| International Holdings | 18.00 | 19.00 |
| Jenkins Bros. com. | 35.00 | .... |
| Lambton Golf Club | 200.00 | .... |
| Lambton Loan, Sarnia | 80.00 | .... |
| Lawson & Jones 1% pfd. | .65 | .... |
| Lond. Can Inv. $3.00 pfd. | 47.00 | .... |
| Do. A | 37.50 | .... |
| London Life Assce. | 65.00 | .... |
| Manufacturers Life Insce. | 166.00 | 170.00 |
| Maxwell Ltd. $6.00 pfd. | 73.00 | .... |
| Medical Arts B., Toronto | 44.00 | .... |
| Monarch Life 40% pd. | 190.00 | .... |
| Nat. Sewerpipe new pfd. (with bonus com.) | 12.75 | .... |
| New Brunswick Tele. | 13.00 | .... |
| Niagara L. Arch Bridge | 62.00 | 66.00 |
| Northern Telephone | 1.95 | 2.10 |
| Oakville Golf Club | 20.00 | 30.00 |
| Oakville Wood 6% pfd. | 87.00 | 93.00 |
| Para. Oshawa Theatres | 12.50 | .... |
| Park Lawn Cemetery | 1.35 | .... |
| Pembina Pipe Line com. | 14.00 | 14.50 |
| Prairie Royal. Trust Units | 2.25 | .... |
| Prudential Trust | 16.00 | .... |
| Reliance Pete A & B | 20.50 | .... |
| Do. pfd. | 42.00 | .... |
| Ritchie Cut Stone pfd. | 13.25 | .... |
| Rob. Jones Whitman pfd. | 21.00 | .... |
| Royal Oak Dairy B | 2.75 | .... |
| Sawyer Massey com. | 3.25 | 4.50 |
| Second Stand. Royal pfd. | .03 | .04 |
| Sincennes McNaugn. Line | 3.25 | .... |
| Skyway Drive-In Theatre | 1.25 | 2.00 |
| Sovereign Life 25% paid | 65.00 | .... |
| Stanfield A & B | 10.50 | .... |
| Standard Fuel pfd. Div. $2.25 | 35.00 | 36.50 |
| Do. com. | 2.00 | 2.75 |
| Summit Golf | 18.00 | 24.00 |
| Sun Life Assce. | 282.00 | 288.00 |
| Toronto & London Inv. | 2.20 | 2.50 |
| Union Accept. 6% pfd. (with warr's. for com. at $11.00) | 26.50 | .... |
| Do. Warrs. (for com. at $11.00) | 6.50 | .... |
| United Can. Shares | 16.00 | .... |
| United Steel 6% pfd. | 26.00 | 27.00 |
| Universal Cooler pfd. | 88.00 | 92.00 |
| Waterloo Mfg | 8.75 | 9.25 |
| Waterloo Trust | 26.50 | .... |
| Western Assce. | 125.00 | .... |
| Wood Alexander 6% pfd. | 85.00 | 90.00 |

**By Kippen & Company Inc., Montreal**

| | Bid | Asked |
|---|---|---|
| Algoma C. & H.B. R. c. | 15.50 | 16.25 |
| Beauharnois Lt., H. & P. | 30.00 | .... |
| Calgary Power | 33.00 | .... |
| Cons. Theatres A | 7.50 | 8.50 |
| Do. B | 3.50 | 4.25 |
| Cuban Canadian Sugar | 10.00 | 14.00 |
| Dupuis Freres pfd. | 23.00 | 24.50 |
| Foreign Power pfd. | 53.00 | 57.00 |
| Guarantee Co. of N. Am. | 420.00 | .... |
| Guardian Realty | 2.00 | .... |
| Hart Battery c. | 8.00 | 10.00 |
| Hudson's Bay Co. (new) | 22.00 | 22.50 |
| London Canadian A | 37.00 | .... |
| Maritime Tel. & Tele. | 18.75 | 19.75 |
| Mont. C. & D. Svgs. Ban. | 50.75 | 52.00 |
| New Brunswick Tele. | 13.00 | .... |
| S. Nord Chemical Co. | .75 | 1.50 |
| N.S. Lt. & Power | 30.00 | .... |
| Ont. & Que. R. 5% c. stk. | 122.00 | 126.00 |
| Provincial Bk of Canada | 25.25 | 26.00 |
| Prudential Trust Co. | 15.00 | 18.00 |
| Sherbrooke Trust Co. | 150.00 | .... |
| Strategic Materials | 5.50 | 6.00 |
| Sun Life Assurance Co. | 280.00 | 287.00 |

## Investment Trusts

| | Divd. pd.▲ cents | Bid $ | Ask $ |
|---|---|---|---|
| Affiliated Funds | ...... | 5.79 | 6.27 |
| All-Can. Comp. Fund | ...... | 3.83 | 4.16 |
| All-Can. Div. Fund | ...... | 3.80 | 4.13 |
| Balanced Mut. | (15) | 4.73 | 5.20 |
| Can. Invest. Fund | 8 (29) | 7.78 | 8.53 |
| Canafund | (110) | 29.79 | 32.62 |
| Com'wealth Inter. | 11 (26) | 6.66 | 7.32 |
| Corporate Inv. | 6.25 (26.5) | 7.39 | 8.03 |
| Diversified Inc. shs. B | (10) | ... | ... |
| Dom. Equity Inv. | (40) | 12.80 | 13.05 |
| Grouped Inc. | 5 (22.5) | 6.33 | 6.91 |
| Inter-Amer. | ...... | 10.84 | 11.91 |
| Investors Mut. | 7 (29) | 8.46 | 9.14 |
| Leverage Fund | (20) | 4.93 | 5.42 |
| Mut. Ac. F. | (22.546) | 5.20 | 5.65 |
| Mutual Income | (18.20) | 4.49 | 4.88 |
| Resources of Can. | 6 (10) | 6.29 | 6.91 |
| Sup'vised Amer. | (6) | 5.51 | 5.57 |
| Sup'vised Gr'th Fund | 4.5+Stk. | 2.25 | 2.27 |
| Sup'vised Inc. Fund* | 22+Stk. | 4.24 | 4.28 |
| Timed Invest. | (20) | †5.15 | *5.15 |
| Trans-Can. A | (75.4) | 23.75 | ... |
| Do. B | (73.6) | 23.80 | ... |
| Do. C | (15.6) | 4.90 | 5.25 |

†Less or (*) plus stock exchange commission.

▲Paid or payable in 1955; total paid in 1954 in brackets.

## Commodities

| | Latest week | Previous week | Same week last yr. |
|---|---|---|---|
| Cattle | $19.66 | $19.50 | $18.50 |
| Hogs | 26.38 | 25.65 | 35.10 |
| Copper, lb. | .30 | .30 | .29½ |
| Sugar, raw, lb. | .0550 | .0545 | .0555 |
| Coffee, lb. | .66¼ | .69¾ | .70¾ |
| Hides | .12 | .12 | .15 |
| **Weekly Commodity Indices** | | | |
| Dow Jones | 170.75 | 169.84 | 169.37 |
| U. S. Labor | 110.1 | 110.1 | 110.9 |
| **Monthly Commodity Indices** | | | |
| Canada (D.B.S.) | | | |
| Retail (Dec.)† | 116.6 | 116.8 | 115.8 |
| W'sale (Dec.) | 215.3 | 214.8 | 219.0 |
| C. F'm Pro. (Dec.) | 204.7 | 203.8 | 210.2 |
| U. S. (Dec.) | 109.5 | 110.0 | 110.2 |
| Gt. Brit. (Nov.) | 330.7 | ▪328.9 | 327.2 |

**Note:** †Cost-of-Living Index Revised to the Base of 1939=100.

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto. Copper-electrotype, New York Coffee No 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

▪Revised.

## Municipal Bonds

February 1, 1955

| | Coup. % | Matur. | Bid. $ | Ask. $ | Yld. % |
|---|---|---|---|---|---|
| Calgary | 3½ | '69 | 96¾ | 98¾ | 3.60 |
| Edmonton | 3½ | '69 | 96½ | 98½ | 3.6) |
| Halifax | 3½ | '66 | 95½ | 97¾ | 3.75 |
| Hamilton | 3 | '67 | 93 | 95 | 3.75 |
| Montreal | 3 | '70 | 90 | 92 | 3.50 |
| Moose Jaw | 3½ | '60 | 97½ | 99½ | 3.65 |
| Ottawa | 3¼ | '68 | 93½ | 100½ | 3.55 |
| Regina | 3 | '64 | 92½ | 94½ | 3.21 |
| S. J'hn N.B. | 3½ | '65 | 95½ | 97½ | 3.60 |
| Toronto | 3 | '68 | 93½ | 95½ | 3.80 |
| Vancouver | 3¾ | '69 | 99 | 100 | 3.40 |
| Victoria | 3¾ | '68 | 98 | 100 | 3.75 |
| Windsor | 2¾ | '75 | 77 | 79 | 3.75 |
| Windsor | 2½ | '75 | 73½ | 75½ | 4.25 |
| Windsor | 3½ | '75 | 87½ | 89½ | 4.25 |
| Winnipeg | 3 | '69 | 93½ | 95½ | 4.25 |

## Oil Stocks (Continued)

| Range 1954-55 High | Low | Div. Rate $ | Company | Sales | Last Jan. 21 | Week Ending January 28 High | Low | Close |
|---|---|---|---|---|---|---|---|---|
| 1.75 | .72 | ... | Cdn. B. E. | 20,825 | 1.49 | 1.57 | 1.35 | 1.55 |
| .79½ | .50 | ... | Cdn. Dec. | 8,866 | .65 | .67 | .62 | .67 |
| .23 | .18 | ... | Do. warr. | 2,633 | .20 | .20 | .20 | .20 |
| 2.95 | .70 | ... | Cdn. Dev. | 23,150 | 1.87 | 1.95 | 1.86 | 1.95 |
| .41 | .09 | ... | Cdn. EmJay | 9,327 | .14 | .14 | .10 | .12½ |
| 2.79 | 1.65 | ... | Cdn. H'st'd. | 5,945 | 2.35 | 2.31 | 2.21 | 2.30 |
| 1.12 | .20 | ... | C. Oil & G. | 25,600 | .75 | .75 | .66 | .68 |
| 1.70 | 1.00 | ... | Cdn. P.L. | 30,777 | 1.56 | 1.59 | 1.43 | 1.45 |
| 8.00 | 5.25 | ... | Cdn. Prosp't | 100 | 6.15 | 6.50 | 6.50 | 6.50 |
| 5.25 | 2.01 | ... | Cdn Wil'st'n | 200 | 4.85 | 4.70 | 4.45 | 4.45 |
| 3.00 | 1.30 | ... | Canso N. G. | 700 | 1.80 | 1.85 | 1.75 | 1.75 |
| 4.10 | 1.55 | ... | Canso Pete | 4,910 | 2.35 | 2.65 | 2.50 | 2.55 |
| 11.25 | 3.85 | ... | Canso Prod. | 999 | 5.10 | 5.20 | 5.10 | 5.10 |
| 3.85 | 1.00 | ... | Canso W'ts | 200 | 1.25 | 1.30 | 1.25 | 1.30 |
| .27 | .11 | ... | Cas O. & G. | 7,500 | .19 | .27 | .25 | .27 |
| 5.75 | 3.70 | ... | Cent. Explr. | 9,050 | 5.00 | 5.05 | 4.80 | 4.80 |
| 2.50 | 1.25 | ... | Cent-Leduc | 55,602 | 2.05 | 2.15 | 1.95 | 2.05 |
| .40 | .11 | ... | Century | 47,200 | .37 | .37 | .34 | .36½ |
| .60 | .13 | ... | Chamberlain | 29,055 | .34 | .36 | .30 | .32 |
| 2.05 | .82 | ... | Charter | 18,805 | 1.75 | 1.85 | 1.67 | 1.75 |
| 3.15 | .40 | ... | Claybar | 3,300 | .50 | .50 | .45 | .45 |
| .70 | .60 | ... | Coastal | 40 | .70 | .60 | .60 | .60 |
| 1.00 | .75 | ... | Command | 500 | .76 | .76 | .76 | .76 |
| 5.00 | 3.75 | *.35 | Common P. | 1,500 | 4.05 | 4.00 | 3.90 | 3.90 |
| .29 | .10 | ... | Cons. Allen | 100,100 | .21 | .22 | .18 | .21 |
| .45 | .16 | ... | Cons. Cord. | 13,000 | .33 | .34 | .28 | .33 |
| .70 | .35 | ... | Cons. E'st C. | 2,050 | .44 | .41 | .40 | .41 |
| .08½ | .02½ | ... | Cons. Gr. C. | 2,000 | .04 | .04 | .04 | .04 |
| 3.90 | 1.25 | ... | C. Mic Mac. | 57,455 | 2.75 | 2.75 | 2.00 | 2.43 |
| .20 | .10 | ... | Cons. Peak | 100,203 | .16 | .16 | .14½ | .15 |
| 2.65 | .96 | ... | Con. W. Pat. | 1,200 | 2.40 | 2.35 | 2.30 | 2.35 |
| .30 | .14 | ... | Dalhousie | 2,100 | .19 | .18 | .18 | .18 |
| 2.25 | 1.00 | ... | Del. Rio | 56,975 | 1.68 | 1.70 | 1.52 | 1.59 |
| 2.05 | 1.24 | ... | Dev. Leduc | 7,250 | 1.60 | 1.65 | 1.53 | 1.54 |
| 6.50 | 3.80 | ... | Dome | 1,400 | 5.75 | 5.70 | 5.45 | 5.50 |
| .24½ | .07 | ... | Dom. Min'ls | 184,700 | .22½ | .24 | .22 | .24 |
| .43 | .10 | ... | Dragon | 60,100 | .18 | .20 | .15 | .18 |
| .32 | .07 | ... | Edoran | 59,550 | .19 | .20 | .18½ | .19½ |
| 1.20 | .20 | ... | Emp. Oil | 46,500 | .40 | .44 | .37 | .43 |
| 2.17 | .99 | ... | Fargo | 8,400 | 1.85 | 1.90 | 1.76 | 1.80 |
| 5.50 | 3.03 | ... | Federated P. | 12,319 | 4.00 | 4.15 | 3.65 | 3.80 |
| .40 | .14½ | ... | Fortune | 8,400 | .26 | .27 | .22 | .24 |
| .06½ | .02 | ... | Freehold | 6,000 | .02½ | .02½ | .02½ | .02½ |
| .48 | .12 | ... | Futurity | 21,100 | .48 | .47 | .41 | .43 |
| .78 | .29 | ... | Gas. Expl. | 12,050 | .74 | .75 | .70 | .73 |
| 1.60 | .15 | ... | Gaspe | 2,700 | .29 | .30 | .25 | .30 |
| .21½ | .07 | ... | Gateway | 24,000 | .14 | .15½ | .14 | .15 |
| 7.00 | 4.70 | .20 | Gen. Pet. | 700 | 6.30 | 6.50 | 6.30 | 6.40 |
| 7.00 | 4.70 | .20 | Do. A | 6,100 | 6.40 | 6.45 | 6.00 | 6.15 |
| 22.50 | 7.95 | ... | Gt. Plains | 1,875 | 19.12½ | 19.00 | 18.87½ | 19.00 |
| 4.00 | 1.00 | ... | Gt. Sw't Gr. | 40,349 | 3.75 | 3.75 | 3.50 | 3.60 |
| 9.75 | 5.35 | ... | Gridoil | 13,175 | 8.80 | 9.75 | 8.40 | 9.50 |
| .12 | .04 | ... | Hargal | 3,000 | .05 | .04½ | .04 | .04½ |
| .30 | .10 | ... | High C'rt | 27,500 | .21 | .20½ | .19 | .20 |
| .18 | .08 | ... | High Sarcee | 2,105 | .14 | .13 | .13 | .13 |
| 10.00 | 5.00 | *.25 | Hi-Tower | 315 | 8.00 | 9.00 | 8.12½ | 8.12½ |
| 10.25 | 6.75 | ... | Home | 2,272 | 8.50 | 8.50 | 7.95 | 8.00 |
| 8.20 | 6.00 | ... | Husky | 1,815 | 7.55 | 7.45 | 7.25 | 7.45 |
| .12½ | .04½ | ... | Hy-Charger | 68,900 | .10 | .10½ | .09½ | .09½ |
| 3.90 | 1.40 | ... | Jasper | 7,300 | 1.60 | 1.60 | 1.52 | 1.54 |
| .24 | .10½ | ... | Jump. P'nd | 2,500 | .22 | .24 | .22 | .24 |
| 2.25 | 1.41 | ... | Jupiter | 12,100 | 2.25 | 2.24 | 2.00 | 2.10 |
| 1.20 | .22 | ... | Keno | 57,100 | .34 | .43 | .37 | .41 |
| 1.80 | 1.00 | ... | Kroy | 16,550 | 1.35 | 1.30 | 1.20 | 1.25 |
| .34 | .20 | ... | Leduc. Cal. | 12,600 | .31 | .33 | .30 | .32 |
| 4.15 | .93 | ... | Liberal | 87,193 | 3.75 | 3.75 | 3.20 | 3.45 |
| .18 | .06½ | ... | Long Is. P. | 10,950 | .12 | .12½ | .10 | .12 |
| .56 | .26 | ... | Marigold | 4,800 | .35½ | .36 | .32 | .35 |
| .37 | .10½ | ... | Marwayne | 21,500 | .18 | .20 | .16 | .20 |
| .15 | .06 | ... | Mercury | 5,700 | .08½ | .09 | .08 | .08 |
| .14½ | .05½ | ... | Merland | 8,700 | .12 | .12 | .10 | .12 |
| 9.35 | 5.80 | ... | Merrill Pet. | 2,800 | 8.50 | 8.50 | 8.25 | 8.40 |
| .67 | .35 | ... | Midcont | 10,560 | .45 | .46 | .40 | .46 |
| .43 | .18 | ... | Mill City | 21,715 | .29 | .30 | .26 | .27 |
| .23 | .10 | ... | Montoco | 5,000 | .12 | .13 | .13 | .13 |
| .45 | .13 | ... | Naco | 281,900 | .35 | .38 | .33 | .38 |
| 2.16 | 1.40 | ... | Nat. Pet. | 1,450 | 1.85 | 1.89 | 1.70 | 1.70 |
| 1.60 | 1.00 | ... | N. Bristol | 40,190 | 1.30 | 1.30 | 1.28 | 1.30 |
| 2.70 | 1.70 | ... | N. British | 32,180 | 2.44 | 2.58 | 2.23 | 2.58 |
| 1.29 | .45 | ... | N. Concord | 4,300 | .68 | .68 | .65 | .68 |
| .75 | .37 | ... | N. Cont. | 27,900 | .49 | .51 | .48 | .50 |
| .30 | .11½ | ... | N. Davies | 3,000 | .18 | .20 | .17 | .17 |
| .24½ | .07½ | ... | N. Devon | 14,100 | .11 | .11½ | .10 | .10 |
| .07½ | .03½ | ... | N. Pacalta | 27,000 | .06 | .05½ | .04½ | .05½ |
| .10 | .04½ | ... | New Ranch | 17,000 | .09½ | .09½ | .08½ | .08½ |
| .25 | .09 | ... | N. Richfield | 5,300 | .24 | .23½ | .22½ | .23 |
| .41 | .07 | ... | N. Springer | 3,500 | .09½ | .09½ | .09 | .09½ |
| 4.25 | 2.05 | ... | N. Superior | 5,344 | 2.90 | 3.00 | 2.85 | 2.90 |
| .25½ | .09½ | ... | Nordon | 1,000 | .17 | .14 | .14 | .14 |
| 5.65 | 1.78 | ... | North Can. | 2,800 | 4.75 | 4.80 | 4.75 | 4.75 |
| .05 | .02 | ... | N. Cont. | 6,500 | .02½ | .02½ | .02 | .02½ |
| .45 | .24 | ... | Northland | 3,000 | .30 | .28 | .28 | .28 |
| 2.04 | .60 | ... | Nucco | 1,237 | .70 | .70 | .70 | .70 |
| .11 | .03½ | ... | Oil Select | 35,000 | .05½ | .05½ | .05 | .05 |
| 1.96 | 1.15 | ... | Okalta | 6,200 | 1.45 | 1.50 | 1.40 | 1.42 |
| 13.50 | 6.20 | ... | Pac. Pete | 6,685 | 11.37½ | 11.50 | 10.50 | 10.75 |
| .46 | .25 | ... | Pan West | 186,700 | .36 | .38 | .31 | .35 |
| 5.00 | 2.95 | ... | Parker Drill | 500 | 4.75 | 4.75 | 4.25 | 4.75 |
| 1.00 | .37 | ... | Pathfinder | 53,028 | .75 | .80 | .67 | .65 |
| 9.20 | 3.30 | ... | Peace River | 1,521 | 7.90 | 7.90 | 7.50 | 7.50 |
| 2.90 | .75 | ... | Peruvian | 25,700 | 2.85 | 2.90 | 2.50 | 2.75 |
| .62 | .35½ | ... | Petrol O. | 38,000 | .49½ | .50 | .44 | .46 |
| 1.95 | 1.15 | ... | Phillips Oil | 5,050 | 1.61 | 1.65 | 1.50 | 1.55 |
| 1.36 | .60 | ... | Ponder | 15,400 | .78 | .80 | .75 | .75 |
| 3.10 | .80 | ... | Pontiac | 10,850 | .80 | .98 | .80 | .80 |
| .40 | .12 | ... | Poplar | 12,500 | .25 | .23½ | .23½ | .25 |
| 3.50 | 1.45 | ... | Prairie | 16,760 | 3.20 | 3.30 | 3.00 | 3.10 |
| .80 | .05 | ... | Que. Oil D. | 10,500 | .12 | .15 | .12 | .12 |
| .37 | .26 | ... | Quinalta | 1,500 | .33 | .33 | .32 | .33 |
| .06 | .02½ | ... | Realty | 35,500 | .04½ | .04½ | .04½ | .04½ |
| .14 | .07 | ... | Reef Pet. | 26,900 | .11½ | .13½ | .11 | .12 |
| .14 | .04½ | ... | Renfrew | 2,850 | .05 | .07 | .05 | .05 |
| .74 | .23 | ... | Rio Prado | 24,190 | .43 | .47 | .42 | .46 |
| .21 | .08 | ... | Roxana | 31,730 | .11½ | .15 | .11 | .14 |
| .14½ | .06 | ... | Royal Can. | 10,500 | .09½ | .10 | .08½ | .10 |
| 14.25 | 10.50 | .26 | Royalite | 4,251 | 13.25 | 13.37½ | 12.75 | 12.75 |
| 30.25 | 27.00 | ♦♦1.21½ | Do. 5¼% p. | 1,010 | 29.62½ | 30.00 | 29.50 | 30.00 |
| .20 | .07 | ... | Sage | 1,600 | .13 | .12 | .12 | .12 |
| 4.85 | 1.50 | ... | Sapphire | 65,120 | 4.50 | 4.70 | 4.50 | 4.60 |
| 2.19 | .80 | ... | Scurry Oils | 303,540 | 1.70 | 2.19 | 1.36 | 2.15 |
| 2.50 | 1.55 | ... | Security | 20,500 | 2.25 | 2.40 | 2.30 | 2.35 |
| .49 | .15 | ... | Select Oils | 6,500 | .20 | .22 | .20 | .21 |
| .10 | .05½ | ... | Share Oils | 3,100 | .06 | .08 | .06 | .08 |
| .80 | .30 | ... | Souris Val. | 3,500 | .38 | .39 | .38 | .38 |
| .51 | .09 | ... | Sparmac | 157,843 | .37 | .51 | .32 | .51 |
| .23 | .12 | ... | Spooner | 2,000 | .18 | .18 | .17 | .17 |
| .100 | .36 | ... | Stanwell | 13,649 | .68 | .74 | .55 | .56 |
| .27½ | .05 | ... | Sturgeon | 2,000 | .08½ | .13 | .13 | .13 |
| .42 | .23 | ... | Sunset | 1,600 | .37½ | .42 | .37 | .38 |
| 1.65 | .80 | ... | Texas Cal. | 6,300 | 1.12 | 1.20 | 1.02 | 1.06 |
| 2.53 | 1.35 | ... | Trans. Emp. | 35,701 | 2.11 | 2.35 | 2.15 | 2.25 |
| .66 | .30 | ... | Trans-Era | 86,250 | .36 | .38 | .30 | .35 |
| .11 | .03 | ... | Transfield | 6,000 | .08½ | .08½ | .08 | .08 |
| .30 | .07 | ... | Trend | 820,725 | .24 | .30 | .23½ | .30 |
| 5.70 | 2.55 | ... | Triad | 105,266 | 5.65 | 5.70 | 5.10 | 5.25 |
| .98 | .25½ | ... | Trican Pet. | 10,300 | .53 | .53 | .49 | .51 |
| .84 | .58 | ... | Tri-Tor | 33,100 | .64 | .66 | .63 | .64 |
| 1.48 | .72 | ... | United Oils | 66,025 | 1.15 | 1.18 | 1.10 | 1.15 |
| .55 | .15 | ... | Van Tor | 18,300 | .41 | .41 | .38 | .40 |
| .50 | .24 | ... | Vulcan | 1,100 | .34½ | .40 | .40 | .40 |
| .76 | .55 | ... | W'Burne | 4,400 | .72 | .75 | .72 | .75 |
| .33 | .12 | ... | West. Terr. | 13,500 | .21 | .22 | .20 | .21 |
| .19½ | .10 | ... | W. Ashley | 53,328 | .12 | .14½ | .12 | .14 |
| 6.10 | 3.80 | ... | W. L'Holds. | 4,480 | 5.50 | 5.65 | 5.20 | 5.20 |
| 2.10 | 1.55 | ... | W. Maygill | 1,350 | 1.88 | 1.80 | 1.70 | 1.80 |
| .13½ | .07½ | ... | W. Warner | 3,000 | .12 | .13½ | .13½ | .13½ |
| .80 | .37 | ... | Wilrich | 21,100 | .49½ | .52 | .46 | .46 |
| .14 | .05½ | ... | Y'ke Can. | 17,800 | .09 | .09 | .07½ | .08½ |
| 1.00 | .31 | ... | Y'ke Prin. | 12,400 | .69 | .72 | .67 | .70 |
| .18 | .06 | ... | York Oils | 6,300 | .10 | .11 | .10 | .10½ |

‡Payable in 1955.

▲U. S. Funds. ♦Div. Deferred. ♦♦Initial. *Paid in 1954.

## Volume of Stock Sales

| | Montreal | Toronto | Calgary | Vancouver | New York |
|---|---|---|---|---|---|
| Jan. 31 | 683,500 | 6,524,000 | 344,365 | ....... | 5,050,000 |
| Jan. 28 | 682,500 | 5,975,000 | 235,202 | 228,138 | 4,380,000 |
| Jan. 27 | 689,500 | 6,802,000 | 256,246 | 246,628 | 4,520,000 |
| Jan. 26 | 697,600 | 7,604,000 | 245,208 | 220,780 | 5,080,000 |
| Jan. 25 | 695,800 | 6,856,000 | 296,572 | 205,774 | 4,330,000 |

## Record of Financing

Sales by Municipalities, Provincial and Dominion Governments, Offerings of Corporation and Foreign Securities

DOMINION

**Government of Canada Treasury Bills**—Due Apr. 22, 1955 and Oct. 21, 1955, $50,000,000. Issued Jan. 20, 1955. Sold at $99.755 to yield .98% and $99.079 to yield 1.24%.

**Government of Canada Treasury Bills**—Due Apr. 29, 1955 and Oct. 28, 1955, $50,000,000. Issued Jan. 27, 1955. Sold at $99.782 to yield .88% and $99.133 to yield 1.17%.

MUNICIPAL

**School Commission of Village of Grande-Baie, P.Q.**—4% and 4½% debentures, due Feb. 1, 1956-65-75, $20,000. Issued Jan. 12, 1955. Sold at $96.15 to La Corporation de Prets de Quebec.

**School Commission of St. Hermas, P.Q.**—3%, 3½% and 4% debentures, due Jan. 1, 1956-59-65-75, $147,000. Issued Jan. 12, 1955. Sold at $98.59 to Durocher Rodrigue Ltd.

**School Commission of Pont-Rouge, P.Q.**—3¼% and 4% debentures, due Feb. 1, 1956-58-75, $85,000. Issued Jan. 13, 1955. Sold at $98.92 to A. E. Ames & Co. Ltd.

**School Commission of St. Jerome, P.Q.**—3¼% and 4% debentures, due Dec. 1, 1955-68-74, $220,000. Issued Jan. 13, 1955. Sold at $97.58 to A. E. Ames & Co. Ltd.

**City of Kingston, Ontario**—3¼% debentures, due Dec. 1, 1955-64, $1,081,400. Issued Jan. 17, 1955. Sold at $102.611 to Dominion Securities Corpn. Ltd. and Imperial Bank of Canada.

**Township of Markham, Ontario** — 4¼% debentures, due Jan. 15, 1956-75, $196,000. Issued Jan. 17, 1955. Sold at $101.16 to Deacon Findley Coyne Ltd.

**City of Oshawa, Ontario** — 4% debentures, due Dec. 31, 1955-69, $1,001,047. Issued Jan. 17, 1955. Sold at $100.72 to Bell, Gouinlock & Co. Ltd.

**City of Peterborough, Ontario** — 3¾% debentures, due Dec. 31, 1955-74, $153,923. Issued Jan. 17, 1955. Sold at $100.545 to Nesbitt, Thomson & Co. Ltd. and Imperial Bank of Canada.

**Catholic School Commission of Trois-Rivieres, P.Q.**—3%, 3¼% and 4% debentures, due Feb. 1, 1956-59-75, $971,500. Issued Jan. 17, 1954. Sold at $96.54 to A. E. Ames & Co. Ltd., Dominion Securities Corpn. Ltd., Wood, Gundy & Co. Ltd., Royal Bank and J. C. Boulet Ltee.

**Protestant School Commission of Ste. Therese, P.Q.**—3%, 4% and 4½% debentures, due Dec. 1, 1955-58-69-74, $306,000. Issued Jan. 18, 1955. Sold at $97.11 to Rene T. Leclerc, Inc.

**City of Hamilton, Ontario**— 3%, 3¼% and 3½% debentures, due Dec. 15, 1955-59-64-74, $8,468,000. Issued Jan. 19, 1955. Sold at $99.312 to a group of dealers headed by Dominion Securities Corpn. Ltd.

**Township of East Gwillimbury, Ontario**—4½% debentures, due Feb. 1, 1956-70, $36,500. Issued Jan. 19, 1955. Bought privately by J. L. Graham & Co. Ltd.

**Town of Uxbridge, Ontario**—4% debentures, due Feb. 15, 1956-65 and May 15, 1956-65, $90,000. Issued Jan. 19, 1955. Bought privately by J. L. Graham & Co. Ltd.

**City of Montreal, Quebec**, 2¼% to 3⅝% debentures, due Oct. 1, 1956-73-74, $35,000,000. Issued Jan. 31, 1955. Offered in U. S. at prices scaled to yield from 2.50% to 3.65% by Shields & Company, Halsey, Stuart & Co. Inc., Savard & Hart and Salomon Bros. & Hutzler, Coffin & Burr Incorporated, Eastman, Dillon & Co., Hornblower & Weeks, Kidder, Peabody & Co., Bell, Gouinlock & Company Incorporated, Burns Bros. & Denton Inc., Mills, Spence & Co. Inc., Stroud & Company Incorporated, Swiss American Corporation, Tucker, Anthony & Co., R. A. Daly & Co. Limited, Hirsch & Co., The Milwaukee Company, New York Hanseatic Corporation, Shearson, Hammill & Co., Courts & Co., H. Hentz & Co., Johnston, Lemon & Co., McDonald & Company, F. S. Smithers & Co., Adams & Peck, Freeman & Company, Charles King & Co., Mullaney, Wells & Company, Singer, Deane & Scribner, Thomas & Company, Arnhold and S. Bleichroeder Inc., Byrd Brothers, Mackall & Coe, A. E. Masten & Company, Moore, Leonard & Lynch, Arthur L. Wright & Co. Inc., F. S. Yantis & Co. Inc., Julien Collins & Company, Allison-Williams Company, Ferris & Company, First of Iowa Corporation, Grenier, Ruel & Co. Inc., John Kormendi Company, McDonald-Moore & Co., McMaster Hutchinson & Co., Wm. J. Mericka & Co. Inc., Newhard, Cook & Co., Patterson, Copeland & Kendall Inc., Piper, Jaffray & Hopwood, Raffensperger, Hughes & Co. Inc., Seasongood & Mayer, Walter Stokes & Co., Sweney Cartwright & Co., Aspden, Robinson & Co., Burns, Corbett & Pickard Inc., Goodwyn & Olds, John B. Joyce & Company, Kenower, McArthur & Co., J. A. Overton & Co., Roger S. Palmer Co., Townsend, Dabney & Tyson, and Zuckerman, Smith & Co.

PREFERRED

**Industrial Acceptance Corporation Limited** — 4½% cumulative redeemable preferred stock (par value $100.00 per share) $10,000,000. Offered at $100.00 per share to yield 4½% by Wood, Gundy & Co. Ltd., Greenshields & Co. Inc., Nesbitt, Thomson & Co. Ltd., W. C. Pitfield & Co. Ltd., Dominion Securities Corpn. Ltd., L. G. Beaubien & Co. Ltd., Midland Securities Corpn. Ltd., James Richardson & Sons, Rene T. Leclerc Inc., Cochran, Murray & Co. Ltd., Eastern Securities Co. Ltd., Yorkshire Securities Ltd., Tanner & Co. Ltd. and Pemberton Securities Ltd.

**Inland Cement Company Limited** — 600,000 participating preferred shares (par value $10.00 each. Offered at $10.00 per share flat by W. C. Pitfield & Co. Ltd., McLeod, Young, Weir & Co. Ltd., J. R. Timmins & Co., Nesbitt, Thomson & Co. Ltd., James Richardson & Sons, Sydie, Sutherland & Driscoll Ltd. and Tanner & Co. Ltd.

## Dividends Declared

| | This payment $ | Date payable | Date of record* |
|---|---|---|---|
| Acadia-At. Sugar | .12½ | Apr. 1 | Mar. 10 |
| Do. A | .30 | Apr. 1 | Mar. 10 |
| Do. 5% pf. | 1.25 | Mar. 15 | Feb. 19 |
| Agnew-Surpass | .10 | Mar. 1 | Jan. 31 |
| Aluminium Ltd. | †.50 | Mar. 5 | Feb. 11 |
| Alum. of Can. 4% pf. | .25 | Mar. 1 | Feb. 4 |
| Do. 5¼% | 1.31 | Mar. 1 | Feb. 4 |
| Anglo-Cdn. Tel. A | .15 | Mar. 1 | Feb. 10 |
| Anthes-Imp. | .30 | Apr. 15 | Mar. 25 |
| Do. Pfd 6% | 3.00 | Aug. 1 | Jul. 25 |
| Argus Corp. | .20 | Mar. 1 | Jan. 31 |
| Do. 4½ pf. | 1.12½ | Mar. 1 | Jan. 31 |
| Balanced Mut. Fund | .03 | Feb. 15 | Jan. 31 |
| Bk. of Montreal | .30 | Mar. 1 | Jan. 31 |
| Barber Ellis | .80 | Mar. 15 | Feb. 28 |
| Bathurst Pwr & Pap. A | .75 | Mar. 1 | Feb. 1 |
| Do. B | .75 | Mar. 1 | Feb. 1 |
| Beaver Lumber A | .25 | Apr. 1 | Mar. 10 |
| Do. pfd. | .33 | Apr. 1 | Mar. 10 |
| Belleterre Que. | .05 | Mar. 15 | Feb. 15 |
| Brant. Cord. A | .25 | Mar. 1 | Feb. 4 |
| Do. B | ▪.12½ | Mar. 1 | Feb. 4 |
| Br. Amer. Oil | .21¼ | Apr. 1 | Mar. 2 |
| B.C. Packers A | .37½ | Mar. 15 | Feb. 28 |
| Do. B | .25 | Mar. 15 | Feb. 28 |
| Burns & Co. A | .50 | Apr. 29 | Apr. 8 |
| Do. | .50 | Jul. 29 | Jul. 8 |
| Do. | .50 | Oct. 29 | Oct. 8 |
| Do. | .50 | Apr. 29 | Apr. 8 |
| Do. | .50 | Jul. 29 | Jul. 8 |
| Do. | .50 | Oct. 29 | Oct. 8 |
| Caldwell Lin. | .20 | Feb. 1 | Jan. 15 |
| Do. 1st pf. | .38 | Feb. 1 | Jan. 15 |
| Do. 2nd pf. | .20 | Feb. 1 | Jan. 15 |
| Canada Cement pf. | .32½ | Mar. 20 | Feb. 21 |
| Can. & Dom. Sug. | .25 | Mar. 1 | Feb. 10 |
| Can. Foils | .10 | Feb. 15 | Jan. 28 |
| Do. A | .15 | Feb. 15 | Jan. 28 |
| Can. Iron F'dries | .30 | Apr. 1 | Mar. 10 |
| Can. Perm. Mtge. | ‡.10 | Apr. 1 | Mar. 15 |
| Do. | ‡.10 | Jul. 2 | Jun. 15 |
| Do. | ‡.10 | Oct. 1 | Sep. 15 |
| Do. | ‡.10 | Jan. 3 | Dec. 15 |
| Can. Safeway 5% 1st pf. | 1.25 | Mar. 1 | Feb. 1 |
| Do. 5% 2nd pf. | 1.25 | Mar. 1 | Feb. 1 |
| Can. Vinegars | .20 | Mar. 1 | Feb. 15 |
| Canadian Brew. | .31¼ | Apr. 1 | Feb. 28 |
| Cdn. Car & F'dry | .20 | Feb. 22 | Feb. 1 |
| Do. A | .25 | Feb. 22 | Feb. 1 |
| Cdn. Concord | .30 | Feb. 15 | Jan. 31 |
| Cdn. Marconi | .06 | May 2 | Mar. 15 |
| Cdn. Oil Co's | .12½ | Feb. 15 | Jan. 31 |
| Cdn. Pac. Rlwy. | .75 | Feb. 28 | Dec. 30 |
| Cdn. Pwr. & Pap. Sec's 5% pf. | .62½ | Feb. 23 | Feb. 4 |
| Cdn. Util. 5% pf. | 1.25 | Feb. 15 | Jan. 28 |
| Cent. Cdn. Invest. | .20 | Apr. 1 | Mar. 24 |
| Do. 5% pf. | 2.50 | Jul. 2 | Jun. 23 |
| Coch.-Dunlop Hdwe. A | ▲▲Stk. Div. | Feb. 15 | Jan. 31 |
| Commoil Ltd. | .20 | Feb. 25 | Feb. 11 |
| Conduits Nat. A | .25 | Feb. 8 | Jan. 28 |
| Confed. Life | .37 | Mar. 15 | Mar. 10 |
| Do. | .38 | Jun. 15 | Jun. 10 |
| Do. | .37 | Sep. 15 | Sep. 10 |
| Do. | .38 | Dec. 15 | Dec. 10 |
| Cons. Paper | .50 | Apr. 15 | Mar. 4 |
| Consumers Glass | .37½ | Feb. 28 | Jan. 31 |
| Cons. Theat. A | .13 | Mar. 1 | Feb. 1 |
| Continental Can | †.75 | Mar. 15 | Feb. 25 |
| Continental Life | 1.30 | Feb. 1 | Jan. 28 |
| Do. | 1.30 | Aug. 1 | Jul. 29 |
| Cosmos Imp. | .17½ | Feb. 15 | Jan. 31 |
| Crown Cork & Seal | .50 | Feb. 15 | Jan. 15 |
| Dom. Bridge | .10+‡.30 | Feb. 25 | Jan. 31 |
| Dom.-Scot. Inv. 5% pf. | .62½ | Feb. 28 | Feb. 14 |
| Donohue Bros. | .30 | Mar. 1 | Feb. 12 |
| Eastern Lt. & Pwr. | .40 | Feb. 15 | Dec. 31 |
| Empire Life 100% pd. | .60 | Feb. 15 | Feb. 1 |
| Fraser Cos. | .25+‡.20 | Apr. 26 | Apr. 9 |
| Gen. Dyn. | †1.10+▪▪Stk. | Mar. 10 | Feb. 23 |
| Gen. Stl. Wares | .10 | Feb. 15 | Jan. 14 |
| Gt. West Coal A | **.12½ | Feb. 15 | Jan. 31 |
| Gulf Oil | †.50 | Mar. 10 | Feb. 7 |
| Gypsum Lime | .60 | Mar. 1 | Feb. 1 |
| Do. | .60 | Jun. 1 | May 2 |
| Ham. Cot. | .22½ | Mar. 1 | Feb. 10 |
| Do. 5% pf. | 1.25 | Feb. 15 | Feb. 4 |
| Do. 5% pf. | 1.25 | May 16 | May 5 |
| Hinde & Dauch Pap. | .45 | Mar. 25 | Feb. 28 |
| How. Smith Pap. | .25+‡.20 | Apr. 30 | Mar. 31 |
| Do. pfd. | .50 | Apr. 30 | Mar. 31 |
| Hudson Bay M. & S. | 1.00 | Mar. 14 | Feb. 11 |
| Huron & Erie Mtge. | 1¾% | Apr. 1 | Mar. 15 |
| Do. 20% pd. | 1¾% | Apr. 1 | Mar. 15 |
| Imp. Varnish | .30 | Mar. 1 | Feb. 16 |
| Do. $1.50 pf. | .37½ | Mar. 1 | Feb. 16 |
| Ind. Accept. 5% pf. ($100 par) | .66 | Feb. 17 on redemp. | |
| Do. 4¼% pf. ($100 par) | .56 | Feb. 17 on redemp. | |
| Do. 5% pf. ($30 par) | .20 | Feb. 17 on redemp. | |
| Do. 5% pf. ($40 par) | .27 | Feb. 17 on redemp. | |
| Int. Util. | †.40 | Mar. 1 | Feb. 10 |
| Do. pfd. | †.35 | May 2 | Apr. 14 |
| Interprov. Pipe L. | .30 | Mar. 1 | Feb. 14 |
| Invest. Found. | .37½ | Apr. 15 | Mar. 15 |
| Do. 6% pf. | .75 | Apr. 15 | Mar. 15 |
| Investors Mut. | .07 | Feb. 14 | Jan. 31 |
| Lake of Woods Mill. 7% pf. | 1.75 | Mar. 1 | Feb. [illegible] |
| Laura Secord | .20 | Mar. 1 | Feb. 1 |
| Loblaw Groc. A & B | .37½ | Mar. 1 | Feb. 2 |
| Mackinnon Struct. St. 5% pf. | 1.25 | Mar. 15 | Feb. 28 |
| MacMillan & Bloedel B | ‡.20 | Feb. 28 | Feb. 10 |
| Mailman Corp. $1 Prior | .25 | Mar. 31 | Mar. 17 |
| Do. $1 Prior | .25 | Jun. 30 | Jun. 16 |
| Massey-Harris | .15 | Mar. 15 | Feb. 18 |
| McColl-Front | .30 | Feb. 28 | Jan. 31 |
| McIntyre-Porc. | .50 | Mar. 1 | Feb. 1 |
| H. Morgan | .13¾ | Mar. 1 | Feb. 4 |
| Do. 4¾% pf. | 1.19 | Mar. 1 | Feb. 4 |
| Nat. Drug. | .15 | Mar. 1 | Feb. 4 |
| Do. pfd. | .15 | Mar. 1 | Feb. 4 |
| Nat. Grocers | .15 | Apr. 1 | Mar. 15 |
| Do. $1.50 pfd. | .37½ | Apr. 1 | Mar. 15 |
| Nat. Lead 7% pf. | †1.75 | Mar. 15 | Feb. 18 |
| Nfld. Lt. & Pwr. | .30 | Mar. 1 | Feb. 10 |
| North-West Tel. 5% pf. | .12½ | Feb. 1 | Jan. 17 |
| Nor. Que. Pwr. 5% 1st. pf. | .68 | Mar. 15 | Feb. 25 |
| Office Spec. | .10+‡.10 | Apr. 1 | Mar. 21 |
| Ogilvie Flour | .25 | Apr. 1 | Mar. 4 |
| Do. 7% pf. | 1.75 | Mar. 1 | Jan. 31 |
| Ont. Steel Prod. | .25 | Feb. 15 | Jan. 15 |
| Do. 7% pf. | 1.75 | Feb. 15 | Jan. 15 |
| Paton Mfg. | .20 | Mar. 15 | Feb. 28 |
| Do. 7% pfd. | .35 | Mar. 15 | Feb. 28 |
| Penmans | .75 | Feb. 15 | Jan. 17 |
| Peoples Cr. Jr. | .15+‡.05 | Feb. 15 | Jan. 31 |
| Photo Eng. | 1.00 | Mar. 1 | Feb. 15 |
| Que. Pwr. | .30 | Feb. 25 | Jan. 15 |
| Robinson Little A | .25 | Mar. 1 | Feb. 15 |
| Rolland Pap. | .25 | Mar. 1 | Feb. 15 |
| Do. 4¼% pf. | 1.06¼ | Mar. 15 | Mar. 1 |
| Royal Bank | .37½ | Mar. 1 | Jan. 31 |
| Royal Oak Dairy A | .15 | Feb. 15 | Jan. 28 |
| Do. B | .50 | Feb. 15 | Jan. 28 |
| Royalite Oil | .06½ | Mar. 1 | Feb. 11 |
| Saguenay Pwr. 4½% pf. | 1.06 | Apr. 1 | Mar. 11 |
| Scythes & Co. | .25 | Mar. 1 | Feb. 14 |
| Do. 5% pf. | .31¼ | Mar. 1 | Feb. 14 |
| Shaw. W. & P. | .30 | Feb. 25 | Jan. 15 |
| Silverwood Dair. A | .15 | Apr. 1 | Feb. 28 |
| Do. B | .15 | Apr. 1 | Feb. 28 |
| So. Can. Pwr. | .50 | Feb. 15 | Jan. 20 |
| Stand. Brands | †.50 | Mar. 15 | Feb. 15 |
| Stedman Bros. | .20+‡.10 | Apr. 1 | Mar. 15 |
| Taylor Pear. & Car. 5% pf. | .12½ | Feb. 15 | Jan. 31 |
| Tor. Elevators | .20 | Mar. 1 | Feb. 18 |
| Un. Corp. A | .38 | Feb. 15 | Jan. 24 |
| Do. B | .10+‡.25 | Feb. 28 | Jan. 31 |
| Un. Kero Hill | .10 | Feb. 25 | Jan. 28 |
| Universal Cooler 6% pf. | 1.50 | Feb. 15 | Jan. 31 |
| Viceroy Mfg. A | .12½ | Mar. 15 | Mar. 1 |
| West. Can Brew. | .25 | Mar. 1 | Jan. 31 |
| Geo. Weston 4½% pf. | 1.12½ | Mar. 1 | Feb. 15 |

†U. S. funds. ‡Extra.

*The ex-dividend date is usually at least two full business days prior to the record date.

▪Initial.

▲▲2 non-assessable red. pfd. shs. (.20 ea.) to be red. immediately.

**Participating.

▪▪1 com. sh. for ea. com. sh. held.

## Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

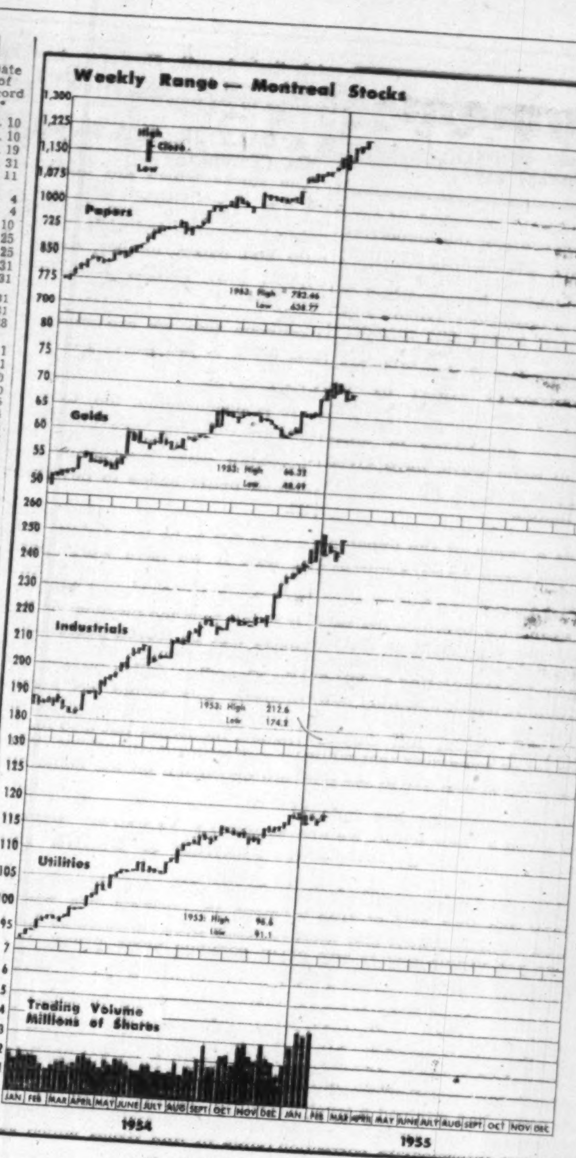
Feb. 1, 1955

| % | Due | Bid | Ask |
|---|---|---|---|
| **Govt. of Canada Bonds:** | | | |
| 3 | Jan. 1959 | 100¾ | 101¼ |
| 3 | June 1960 | 101¼ | 102¼ |
| 3 | Feb. 1962 | 101¾ | 102 |
| 3 | Oct. 1963 | 101¾ | 102 |
| 3 | Sept. 1966 | 100¾ | 101¼ |
| 3¼ | June 1966 | 101¼ | 101¾ |
| 3 | Perpetual | †94½ | 95½ |
| 2¾ | June 1968 | 97¾ | 98½ |
| 3¾ | Jan. 1975/78 | 106½ | 107½ |
| 3¼ | June 1974/76 | 99¾ | 100¾ |
| **Cdn. Nat. Railways:** | | | |
| 3 | Jan. 1959 | 100 | 100¾ |
| 4½ | Feb. 1955 | ▪102½ | 103 |
| 4¾ | June 1955 | ▪101¼ | 101¾ |
| 2¾ | Jan. 1967 | 97¼ | 98¼ |
| 3 | Jan. 1966 | 100½ | 100¾ |
| 2¾ | Sept. 1969 | 97¼ | 98¼ |
| 4½ | July 1957 | ♦105¼ | 106 |
| **Govt. of C. Guaranteed Bds.:** | | | |
| **Cdn. Nat. W. Ind. S.S.:** | | | |
| 3 | Mar. 1955 | 100¼ | 100½ |
| **Grand Trunk Pacific Rly.:** | | | |
| 3 | Jan. 1962 | ▪102 | 103½ |
| 4 | Jan. 1962 | ▪108 | 109 |
| **Prov. Govt. Bonds** | | | |
| **Alberta:** | | | |
| 2¾ | Mar. 1970 | 96 | 98 |
| **British Columbia:** | | | |
| 4½ | Jan. 1969 | ♦112 | 115 |
| 3 | Dec. 1960 | 99½ | 100½ |
| 3 | June 1964 | 99 | 100 |
| 5 | Sept 1959 | ♦109 | 111 |
| **B. C. Power Comm.:** | | | |
| 3 | Oct. 1967 | 96½ | 98½ |
| **Manitoba:** | | | |
| 4 | Dec. 1957 | ♦103 | 105 |
| 5 | Dec. 1959 | ▪109 | 111 |
| 5½ | July 1958 | 106 | 108 |
| 3 | Oct. 1965 | 97½ | 99 |
| 4½ | Dec. 1956 | ♦103 | 105 |
| **New Brunswick:** | | | |
| 4½ | Apr. 1961 | ♦107 | 109 |
| 2¾ | June 1966 | 92½ | 94½ |
| 3¼ | May 1957 | 99½ | 101 |
| 3½ | Sept. 1965 | 98½ | 100½ |
| **Nova Scotia:** | | | |
| 4½ | Nov. 1960 | ♦107 | 109 |
| 5 | Mar. 1960 | ♦109 | 111 |
| 3¼ | June 1963/65 | 99 | 100½ |
| 3 | June 1956/58 | 98½ | 100½ |
| 2¾ | June 1965/68 | 92½ | 94½ |
| **Ontario:** | | | |
| 2¾ | Nov. 1965/69 | 94½ | 96 |
| 4 | June 1962 | ▪107 | 109 |
| 4½ | Jan. 1962 | ♦108½ | 110½ |
| 2¾ | July 1967/76 | 92 | 94 |
| 3 | Nov. 1963/65 | 99½ | 100 |
| 5 | May 1959 | ▪109 | 111 |
| **Ont. Hydro Commission:** | | | |
| 4 | Aug. 1957 | ▪103 | 105 |
| 2¾ | Oct. 1965/68 | 93½ | 95½ |
| 3 | Dec. 1963/65 | 99½ | 99¾ |
| 3 | Nov. 1967/69 | 96½ | 97½ |
| **Prince Edward Island:** | | | |
| 2 | Oct. 1965 | 95½ | 97½ |
| **Quebec:** | | | |
| 3¼ | Mar 1954/59 | 100½ | 101½ |
| 4¼ | Aug. 1958 | 103 | 105 |
| 4½ | Jan. 1963 | 107½ | 109½ |
| 3 | Sept. 1962/64 | 98½ | 100 |
| **Quebec Hydro Commission:** | | | |
| 3 | Feb. 1969/73 | 94¼ | 96 |
| 3 | Dec. 1958/60 | 99½ | 100¼ |
| **Saskatchewan:** | | | |
| 4 | Nov. 1955/60 | 100 | 101½ |
| 5 | Aug. 1958 | 105 | 107 |
| 4½ | Mar. 1960 | ♦107 | 109 |
| 5 | Dec. 1959 | ♦109 | 111 |
| 3 | Mar. 1963 | 97½ | 99 |
| 3¾ | Nov. 1960/62 | 98½ | 100 |
| 3¾ | Oct. 1962/65 | 100½ | 102½ |
| **Newfoundland:** | | | |
| 4¼ | July 1964 | 104½ | 106½ |

▪Payable Can., N.Y. or £.

♦Payable Can. or N.Y.

†Callable on or after Sept. 15, 1966.



Market Comment on page 28

## COMPANY REPORTS

**BELDING-CORTICELLI LTD.** net profit for the year ended Nov. 30, 1954, was $96,358, 18.8% less than net of the previous year of $118,641.

Sales dollar volume was down over 14% in the first six months, but an increase was shown in every month after that. As a result of lower prices there was a small reduction in dollar sales, says President W. P. MacDougall.

The operation of the fabric department became unprofitable and it was closed. Inventories were reduced by $197,000. During the year $141,246 was spent on equipment, and $103,529 of equipment was scrapped or sold.

Shareholders will be asked at the annual general meeting to ratify an amendment to the company's bylaws making the end of the fiscal year Dec. 31 in future.

INCOME ACCOUNT

| Years Ended Nov. 30: | 1954 | 1953 |
|---|---|---|
| Net earnings | *$253,717 | $357,709 |
| Less: Depr. | 231,530 | 291,162 |
| Income tax res. | ...... | 30,553 |
| Invent. res. | ‡74,171 | ‡82,647 |
| **Net profit** | 96,358 | 118,641 |
| Less: Pref. divds. | 59,199 | 59,496 |
| Common divds. | 38,455 | 53,540 |
| **Surplus for year** | ▪1,296 | 5,605 |

‡Transferred from invent. res.; credit.

*Excluding profit on sale of fixed assets of $1,470 included in net profit in co's report.

▪Deficit.

| Earnings per Share and Dividend Record: | | |
|---|---|---|
| Preferred (new) | $1.14 | $1.40 |
| Paid | 0.70 | 0.70 |
| Common (new) | 0.48 | 0.77 |
| Paid | 0.50 | 0.60+0.10 |

CONDENSED BALANCE SHEET

| As at Nov. 30: | 1954 | 1953 |
|---|---|---|
| Cash & govt. bods. | $67,469 | $74,624 |
| Accts. rec. less res. | 1,022,952 | 931,934 |
| Inc. tax refund | 38,528 | ...... |
| Inventories | 1,235,689 | 1,350,733 |
| **Total curr. assets** | 2,364,636 | 2,357,311 |
| Misc. assets | 63,686 | 64,778 |
| Fixed assets† | 1,460,399 | 1,551,694 |
| **Total assets** | 3,888,721 | 3,973,783 |
| Bank loan | 300,000 | 350,000 |
| Accts., etc., pay. | 321,435 | 372,939 |
| **Total curr. liab.** | 621,435 | 722,939 |
| Due pens. fund | 59,483 | 59,463 |
| Reserves | 588,271 | 613,702 |
| Capital stock | 1,614,800 | 1,614,800 |
| Capital surplus | 74,000 | 74,000 |
| Surplus | 930,732 | 888,839 |
| †After depr. of | 3,412,817 | 3,283,605 |
| **Working capital** | 1,743,201 | 1,634,332 |

## Unlisted Mines, Oils

(By the Broker-Dealers' Ass'n of Ontario)

Approximate quotations, 3.30 p.m., Jan. 31, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

| | Bid | Ask |
|---|---|---|
| Abenakis | 1 | 2 |
| Advance | *11 | 13 |
| Alexander | 3½ | 5 |
| Ama Kir | 2 | 4 |
| Amax | 20 | 25 |
| Anabar | †32 | 38 |
| Anamq | 1 | 3 |
| Anuwon | *62 | 67 |
| Arctic | 2 | 3 |
| Aurora | 15 | 20 |
| Beacon | 5 | 8 |
| Belfast | *29 | 31 |
| Bi Ore | *3 | 4 |
| Biroco | 2 | 3 |
| Bick B | *173 | 185 |
| Blondor | 1½ | 2 |
| Bl Grass | 24 | 28 |
| B McDade | *6 | 9 |
| Bourlamaq | 1 | 3 |
| Braminco | 5 | 10 |
| Br Breest | 4 | 6 |
| Bright RL | 1 | 3 |
| Brunet | 15 | 20 |
| Camlaren | 2 | 4 |
| Camray | 2 | 4 |
| Can Rad | 38 | 42 |
| Canalask | 7 | 11 |
| Captain | 3 | 4 |
| Cn Mag | 200 | 225 |
| Cdn Lith | 60 | 65 |
| Cent Man | 9 | 11 |
| Clinger | 14 | 17 |
| Clix | 21 | 24 |
| Columbier | 1 | 2 |
| Columind | 4 | 6 |
| Comstock | 14 | 16 |
| Conecho | 23 | 26 |
| Con Cop | 13 | 14 |
| Cordell | *44 | 46 |
| Crack S | 35 | 43 |
| Craibbe | †12 | 15 |
| Croyden | 2 | 4 |
| De Sant | 2 | 4 |
| Destorad | 9½ | 12½ |
| Derlac | 1 | 2 |
| Dom Ex | 13 | 16 |
| Dunvegan | †12 | 16 |
| Durham | †13 | 16 |
| East Lun | 7 | 9 |
| Echo Ind | 3 | 5 |
| El Bonan | 4 | 6 |
| Elmac | 2 | 4 |
| Farcroft | 38 | 43 |
| Forty Fr | 75 | 100 |
| Gan Cop | 1 | 3 |
| Glenbrk | 17 | 19 |
| Glencona | 3 | 4 |
| Goldmaq | 10 | 13 |
| Gov Gold | 9½ | 11 |
| Gr. Chib | 80 | 90 |
| Greenlee | 5 | 7 |
| Gui Por | 57 | 58 |
| Harker | 3 | 4 |
| HG Young | 17 | 20 |
| Hornfalt | *11 | 13 |
| Hotstone | 3 | 4 |
| HU Cmp | 20 | 23 |
| Independ | 19 | 21 |
| Indian M | 6 | 8 |
| Insco | *13 | 18 |
| Iso | 40 | 43 |
| Jardun | 30 | 31½ |
| Jerome | 12 | 15 |
| Kamlac | 8 | 10 |
| Ken Bay | *8 | 10 |
| Kenda P | 3 | 5 |
| Kenog | 10 | 12 |
| L Rong | 70 | 80 |
| L Nord | *120 | 125 |
| Larum | †14 | 16 |
| L Expan | †30 | 33 |
| Lassie | 4 | 6 |
| Lowr Can | 2 | 4 |
| Lun Ech | †42 | 47 |
| Magoma | 30 | 33 |
| Mallen | 2½ | 4 |
| Man Ech | *16 | 19 |
| Mar Bird | 1 | 3 |
| Maree | 4½ | 6 |
| Mate Yel | 5½ | 7 |
| McManus | 2 | 4 |
| McCuaig | 1½ | 3 |
| Milliken | †44 | 48 |
| Miles RL | 1 | 3 |
| Mindus | 14 | 17 |
| Mt Keno | 2½ | 3 |
| Mohawk | 1 | 1½ |
| Murmac | 2½ | 3½ |
| Nama | 32 | 35 |
| Nat New | 4 | 6 |
| New Aug | 5 | 7 |
| New Mal | 3 | 5 |
| N Rdwood | 5 | 7 |
| New Wal | 1 | 2 |
| Nickel L | 15 | 18 |
| Nick O | 78 | 100 |
| Nipiron | 16 | 19 |
| Norbec | *22 | 27 |
| Norbeau | 65 | 75 |
| Norcourt | 1 | 3 |
| Norford | 1 | 3 |
| Normar | 1 | 3 |
| Obsk '45 | †13 | 17 |
| Orchan | 17 | 19 |
| Oklend | 7 | 9 |
| O R Met | 32 | 37 |
| Ortona | 2½ | 4 |
| Orofino | 5 | 7 |
| Pascalis | 6 | 8 |
| Pater | 55 | 60 |
| Payne | 1½ | 2½ |
| Peach | 950 | 1050 |
| Pelangio | 1½ | 2½ |
| Phelps | 1 | 2 |
| Pitchvin | †28 | 33 |
| Plum | †630 | 750 |
| Polestar | †18 | 21 |
| Presdor | 1 | 3 |
| Privateer | 2½ | — |
| Quejo | 4 | 6 |
| Quest | 2 | 4 |
| Quyta | 3 | 5 |
| Rainville | 45 | 50 |
| Rand M | 7 | 9 |
| Randona | 2 | 4 |
| Redbark | 28 | 32 |
| Redcon | 4 | 6 |
| Redruth | 1 | 3 |
| Rhyolite | 1 | 2 |
| Richgroup | 8 | 10 |
| Rugged | 2 | 4 |
| Russet | 3 | 4 |
| St Marys | *53 | 58 |
| St Michl | †34 | 37 |
| Salmita | 6 | 8 |
| S Dufault | 2 | 4 |
| Sheldon | 10 | 12 |
| Silv Lake | 1½ | 3 |
| Snow L | 3 | 5 |
| Starlight | 9 | 11 |
| SN Rim | †18 | 21 |
| SM Zone | 23 | 26 |
| Sunbear | 1½ | 2½ |
| Tazin | 13 | 14 |
| U Ridg | 120 | 122 |
| Vauz Duf | 2 | 4 |
| Viking | 12 | 16 |
| Wadge | 8 | 10 |
| Wesley | 2½ | 3½ |
| West RL | 1½ | 2½ |
| W Wasa | 8 | 10 |
| Y David | 7 | 9 |
| Yellow vt | 250 | — |
| **OILS** | | |
| Albfield | 3 | 6 |
| Cn Sup | *1200 | 1250 |
| Franco | 24 | 28 |
| Major Oil | 2 | 3 |
| N Ranch | 8 | 9 |
| O Smoky | 8 | 10 |
| Paig Pet | 9 | 12 |
| Westall | 14 | 17 |
| West Lock | *5½ | 7 |

## Unlisted Mines, Oils

(Compiled from quotations by G. E. Leslie & Co., Montreal)

February 1, 1955

| Stock | Bid. | Off. | Stock | Bid. | Off. |
|---|---|---|---|---|---|
| Absam | 22 | 27 | Lorie New | 4 | 5 |
| Adnor | 4 | 6 | M. Kellar | .. | 30 |
| Anthonian | 32 | 36 | M'tgomery | 4 | 5 |
| Belmont | 4 | 6 | New Pen | 6 | 8 |
| Burnt Hill | 400 | 420 | Pwr. Uran. | 33 | 35 |
| Cal. Cont. | 10 | 12 | Provincial | 2 | 4 |
| Dawmac | 100 | 103 | Que. Beryl | 25 | 27 |
| Derogan | 50 | 55 | Que. Don. | 68 | 73 |
| Fluor-Bar | 92 | 95 | Roymont | 10 | 13 |
| Fundy Bay | 16 | 18 | St. Simeon | 17 | 18 |
| Garland | .. | 30 | S. Bach. | 10 | 12 |
| Imp. Min. | 37 | 38 | Titanium | 45 | 47 |
| Int'l Asb. | 15 | 20 | Trans. Dom. | 13 | 16 |
| Kenmac | 90 | 95 | Uran. King | 20 | 23 |
| King Cop. | 42 | 45 | Wm. Leys | 19 | 23 |

## Stock Redemptions

| Company: | Rate | Date | Price |
|---|---|---|---|
| °Imp. Tobacco cum. s.f. pf. | 4% | Mar. 1 | ▪25.62½ |
| °Industrial Accept. Corp. Ltd. cum. red. pfd. ($100 par) | 5% | Feb. 17 | ▪$105.00 |
| °Industrial Accept. Corp. Ltd. cum. red. conv. pfd. ($30 par) | 5% | Feb. 17 | ▪$31.50 |
| °Industrial Accept. Corp. Ltd. cum. red. pfd. ($100 par) | 4¼% | Feb. 17 | ▪$102.00 |
| °Industrial Accept. Corp. Ltd. cum. red. conv. pf. ($40 par) | 5% | Feb. 17 | ▪42.00 |

▪Plus accrued dividends.

°All outstanding.

## Bond Tenders

12, noon, Feb. 3, 1955, Government of Canada Treasury Bills—Payable May 6, 1955 and Nov. 4, 1955, $30,000,000. Dated Feb. 4, 1955.

## Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

February 1, 1955

| Public Utility Issues: | Int. Rate % | Due | Bid. | Ask. | Prev. Week Bid |
|---|---|---|---|---|---|
| Alg. Cen. H.B.R. | 5 | '59 | 133 | 136 | 132 |
| Bell Tele | 3 | '77 | 92 | 95 | 92 |
| Do. | 4¼ | '67 | 104½ | 107½ | 104½ |
| Braz. Traction | 4¼ | '70 | 84 | 87 | 83½ |
| B. C. Electric | 3¼ | '67 | 95½ | 98½ | 95½ |
| Do. | 3½ | '75 | 96 | 99 | 96 |
| Do. | 3¾ | '69 | 98½ | 101½ | 98½ |
| Do. | 4¾ | '79 | 103½ | 106½ | 103½ |
| B. C. Tele | 4¼ | '75 | 101 | 104 | 101 |
| Gat. Power D | 3½ | '70 | 96 | 99 | 96 |
| Gt. Lakes Pwr. | 4½ | '69 | 99½ | 102½ | 99½ |
| Maclaren-Quebec Power | 3 | '69 | 94½ | 97½ | 94½ |
| Mex. Lt. & Pr. | 5 | '75 | 83 | 86 | 83 |
| Nat. Lt. & Pwr. | 4½ | '61 | 97½ | 100½ | 97½ |
| North Que. Pr. | 4½ | '67 | 98 | 101 | 98 |
| Power Corp. | 3½ | '67 | 95½ | 98½ | 95½ |
| Quebec Power | 3 | '62 | 97 | 100 | 97 |
| St. Maurice Pr. | 3¼ | '70 | 94½ | 97½ | 94½ |
| Shaw. W. & Pr. | 3 | '71 | 94½ | 97½ | 94½ |
| Do. | 3½ | '73 | 98 | 101 | 98 |
| Wpg. Electric | 3½ | '71 | 98½ | 101½ | 98½ |
| **Industrial Issues:** | | | | | |
| Abitibi Pr. & P. | 3¾ | '67 | 98 | 101 | 98 |
| Acadia-Atlantic Sugar | 4 | '74 | 99½ | 102½ | 99½ |
| Alaska P. & C. | 4½ | '66 | 99 | 102 | 99 |
| Aluminum Co. | 4½ | '73 | 103 | 106 | 103 |
| Barvue Mines | 5s | '56 | 88½ | 91½ | 88½ |
| Bathurst P. & P. | 5¼ | '73 | 103 | 106 | 103 |
| Bowater's Nfld. P. & P. | 3½ | '68 | 95½ | 98½ | 95½ |
| B. C. For. Pr. | 4½ | '66 | 100 | 103 | 100 |
| Burns & Co. | 4 | '63 | 98½ | 101½ | 98½ |
| Can. Bread | 4½ | '67 | 96½ | 99½ | 96½ |
| Can. Steamship | 4 | '66 | 98½ | 101½ | 98½ |
| Can. Brew | 4¾ | '79 | 104½ | 107½ | 104½ |
| Can. Canners | 3½ | '70 | 95½ | 98½ | 95½ |
| Can. Celanese | 3 | '62 | 96 | 99 | 96 |
| Can. Chemical | 5¼ | '71 | 98½ | 101½ | 98½ |
| Can. Oil | 5 | '72 | 103 | 106 | 103 |
| Can. West. Lum. | 4 | '62 | 99 | 102 | 99 |
| Cockshutt Plow | 4½ | '65 | 93 | 96 | 94 |
| Columbia Cell. | 5 | '68 | 98½ | 101½ | 98½ |
| Consol. Paper | 3½ | '67 | 100 | 103 | 100 |
| Dom. Fd. & Stl. | 4½ | '69 | 102 | 105 | 102 |
| Dom. Stores | 5 | '72 | 102½ | 105½ | 102½ |
| Dom. Tar & Ch | 5 | '67 | 103 | 106 | 103 |
| Dryden Paper | 5½ | '65 | 99 | 102 | 99 |
| T. Eaton Accept. | 4¾ | '74 | 103½ | 106½ | 103½ |
| E. B. Eddy | 4 | '74 | 98½ | 101½ | 98½ |
| Elk Falls Co. | 5 | '75 | 102 | 105 | 102 |
| Fed. Grain | 4 | '64 | 97 | 100 | 97 |
| Gen. Motors Ac. | 4½ | '69 | 103 | 106 | 103 |
| Gt Lakes Pap. | 3½ | '67 | 95 | 98 | 95 |
| Gt. Plains Dev. | 2-4 | '65 | 142 | 145 | 142 |
| Husky Oil | 5 | '69 | 102 | 105 | 102 |
| Imp. Tobacco | 3 | '70 | 92½ | 95½ | 92½ |
| Imp. Oil | 3 | '69 | 94½ | 97½ | 94½ |
| Indust. Accept. | 5¼ | '74 | 102 | 105 | 102 |
| Irving Oil Co. | 5¼ | '67 | 102½ | 105½ | 102½ |
| Loblaw Groc. | 4¾ | '73 | 102½ | 105½ | 102½ |
| Maple L. M. | 3¾ | '63 | 96½ | 99½ | 96½ |
| Massey-Harris | 5 | '67 | 102 | 105 | 102 |

### Corporation Bonds Continued

| | | | | | |
|---|---|---|---|---|---|
| McColl-Front | 3 | '71 | 93 | 96 | 93 |
| Mercury Mills | 4 | '63 | 54 | 57 | 54 |
| Mon. Knit. | 4½ | '71 | 78½ | 81½ | 78½ |
| N. S. Steel Coal | 3½ | '63 | 95 | 98 | 95 |
| Page-Hersey T. | 3½ | '65 | 95 | 98 | 95 |
| Price Bros. | 3¼ | '66 | 98 | 101 | 97 |
| St. Law. Corp. | 5 | '72 | 103½ | 106½ | 103½ |
| Silverwood Dair. | 4 | '71 | 94 | 97 | 94 |
| Simpsons Ltd. | 4½ | '73 | 103½ | 105½ | 103½ |
| Simpsons-Sears | 4½ | '73 | 103½ | 106½ | 103½ |
| Steel Co. of Can. | 2¾ | '67 | 94 | 97 | 94 |
| Traders Fin. | 5¼ | '69 | 104 | 107 | 104 |
| Union Accept. | 5¼ | '68 | 99½ | 102½ | 99½ |
| United Steel | 4 | '60 | 92 | 95 | 92 |
| Un. Grain Gr. | 3½ | '70 | 91½ | 94½ | 91½ |
| George Weston | 4¾ | '68 | 102½ | 105½ | 102½ |
| **CONVERTIBLE ISSUES** | | | | | |
| Ajax Pete. Ltd. | 5 | '62 | 84 | 88 | 84 |
| Atlas Steels | 5 | '67 | 103 | 106 | 104 |
| Braz. Traction | 4½ | '71 | 84 | 87 | 83 |
| B. A. Oil | 3½ | '61 | 142 | 146 | 142 |
| Do. | 3¾ | '62 | 114 | 117 | 114 |
| B. C. For. Pr. | 5 | '62 | 107 | 110 | 107 |
| Can. So. Oils | 2-5 | '61 | 94 | 97 | 94 |
| Can. Brew. | 4½ | '61 | 108½ | 111½ | 107 |
| C.P.R. | 3½ | '66 | 101 | 104 | 101 |
| Do. | 4 | '69 | 104½ | 107½ | 104½ |
| C. Leduc Oils | 5 | '65 | 85 | 88 | 85 |
| Cockshutt Farm | 5 | '68 | 95 | 98 | 95 |
| Dom. Magnes. | 5 | '62 | 102 | 105 | 102 |
| Dom. Steel & C. | 4 | '61 | 100 | 103 | 99½ |
| Dom. Textile | 4 | '66 | 96½ | 99½ | 96 |
| Gen. Pete. | 4½ | '65 | 94 | 97 | 94 |
| Jupiter Oils | 5 | '67 | 93 | 97 | 90 |
| Kroy Oils | 5 | '67 | 96½ | 99½ | 96½ |
| New Concord D. | 5½ | '68 | 88 | 92 | 88 |
| N. Sup. Oils | 5 | '64 | 95 | 98 | 95 |
| North Star Oil | 5¼ | '68 | 99 | 102 | 99 |
| Pathfinder Pet. | 2-5s | '62 | 65 | 75 | 65 |
| Ponder Oils | 5 | '65 | 92 | 97 | 92 |
| Scurry Oils | 5 | '64 | 93 | 97 | 90 |
| Silverwood Dair. | 5¼ | '72 | 115 | 118 | 114 |
| Supertest Pete. | 4 | '70 | 105 | 108 | 104 |
| Traders Fin. | 4¾ | '69 | 119 | 123 | 118 |
| Trans Empire | 5 | '66 | 93½ | 96½ | 93½ |
| Do. | 5½ | '67 | 98 | 101 | 98 |
| West. C. Brew. | 5 | '67 | 114 | 118 | 114 |

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## DIVIDEND NOTICES

### THE ROYAL BANK OF CANADA

*Dividend No. 270*

Notice is hereby given that a dividend at the rate of THIRTY-SEVEN AND ONE-HALF CENTS per share for the current quarter upon the outstanding capital stock of this bank be and the same is hereby declared payable at the bank and its branches on and after TUESDAY, THE 1ST DAY OF MARCH, 1955, to shareholders of record at the close of business on the 31ST DAY OF JANUARY, 1955, shares not fully paid for by the 1ST DAY OF NOVEMBER, 1954, to rank for the purpose of the said dividend to the extent of the payments made on the said shares and from the dates of the respective payments.

T. H. ATKINSON,
General Manager

Montreal, Que., January 18, 1955.

### Northern Quebec Power Company Limited

The Board of Directors has declared the following dividend:

*5½% First Cumulative Preferred Stock*

No. 4, Quarterly, 68c per share, payable March 15th, 1955 to holders of record at the close of business on February 25th, 1955.

V. J. NIXON,
Secretary.

Montreal, January 25th, 1955.

### COMMOIL LIMITED

**DIVIDEND NOTICE**

Notice is hereby given that a dividend of 20c per share has been declared on the outstanding no par value shares of the Company, payable February 25th, 1955, to shareholders of record at the close of business on February 11th, 1955.

The transfer books of the Company will not be closed.

By Order of the Board,

G. J. McKAY,
Secretary.

January 26th, 1955.

### TAYLOR PEARSON AND CARSON (CANADA) LTD.

Notice is hereby given that the 34th quarterly dividend at the rate of five percent (5%) per annum in respect of all preferred shares of the company issued and outstanding will be paid to all holders of preferred shares of record in the books of the company as of January 31st, 1955.

The dividend will be payable at the head office of the company on February 15th, 1955.

By Order of the Board,

G. C. MONTGOMERY,
Secretary-Treasurer.

Edmonton, Alberta,
January 14th, 1955.

### ROYALITE OIL COMPANY, LIMITED

**NOTICE OF DIVIDEND NO. 65 COMMON STOCK**

NOTICE is hereby given that a Dividend of Six and one-half cents per share has been declared on the outstanding common shares of the Company payable to the holders of such shares of record at the close of business on Friday, the 11th day of February, 1955, and that the said Dividend will be payable on or after the 1st day of March, 1955.

By Order of the Board.

K. S. C. MULHALL,
Secretary-Treasurer.

Calgary, Alberta,
January 18, 1955.

### UNIVERSAL COOLER COMPANY LIMITED

**Preference Dividend No. 21**

Notice is hereby given that the twenty-first regular quarterly dividend, for the quarter ending on the fifteenth day of February, 1955, of one and one-half per cent (1½%) has been declared on the outstanding 6% cumulative participating redeemable preference shares of the Company, payable February 15th, 1955, to shareholders of record at the close of business on the 31st day of January, 1955.

By order of the Board.

A. D. HALL,
Secretary-Treasurer.

Brantford, Ontario,
January 28, 1955.

### INTERPROVINCIAL BUILDING CREDITS, LTD.

**COMMON DIVIDEND NO. 10**

NOTICE is hereby given that a dividend of 20c per share has been declared on the Common Shares of the Company in respect of the quarterly period ending February 28, 1955, payable on March 1, 1955, to shareholders of record at the close of business on February 14, 1955.

By Order of the Board.

M. D. BEHRNS,
Secretary.

### INTERPROVINCIAL PIPE LINE COMPANY

**Notice to Shareholders**

DIVIDEND No. 6

NOTICE is hereby given that a semi-annual dividend of thirty cents per share in Canadian funds has been declared on the outstanding Capital Stock of Interprovincial Pipe Line Company, payable on March 1, 1955 to Shareholders of record at the close of business on February 14, 1955.

By Order of the Board,

Toronto, W. A. HARE,
January 28th, 1955. Secretary.

### GEORGE WESTON LIMITED

**Preferred Quarterly Dividend #41**

**Notice is hereby given** that a quarterly dividend of $1.12½c per share on the 4½% cumulative redeemable preferred shares of the Company has been declared by the Directors of George Weston Limited, payable March 1st, 1955 to the holders of the said preferred shares of record as at close of business on the 15th day of February, 1955.

By Order of the Board,

E. L. JONES,
Secretary-Treasurer

Toronto, Ontario,
January 27, 1955.

# Market Comment

**What stocks and bonds are doing and what prominent observers say**

New York markets ploughed through to a new all-time high this week with steels, automobiles and metals sparking the latest advance. Higher dividends growing out of improved earnings, stiffening commodity prices, were big factors in the rise.

In Canada incoming orders to the steel mills are on the upturn. For the first time in over a year customers are placing orders as far as three months in advance. Settlement of the Ford strike will now improve the forward steel order position even further.

The increase in the price of copper (2c in Canada, 3c in the U. S.) was a factor in the strengthening of base metal stocks. Under-margin situations appeared to be behind the break in Toronto last week in non-speculative mining issues, but popular uranium issues were showing signs of a comeback at mid-week.

* * *

**W. D. BENSON; R. Moat & Co. (Montreal)**

As we move into the opening quarter of 1955, it is only right that we should take stock of ourselves and consider the supporting elements in the business situation; take full account of the exalted level which we have reached in industrial operations, borrowings, and prices; accord due consideration to ways and means which might be adopted should industrial operations falter; by no means play down or overlook the weaknesses and uncertainties which are developing in what must, in some ways, have given the appearance of an ever-forward march.

Let us not become over-confident as a result of the apparent ease with which we have emerged from the rolling re-adjustment of 1954; let us not overlook the extent, as in 1929, to which industry has become dependent on installment purchases; let us not underestimate the stimulating effects of maintaining public spending power through maintenance of high wages and virtual full employment; let us remember that while this is not the new era of the late 20's, it is an era in which the study of economics has indeed been given a "new look." We are assuredly traversing uncharted seas.

While the business outlook for at least the first half of 1955 is viewed as satisfactory, and there are as yet visible few if any of the danger signals which have spelled "finis" to previous business and market booms, it is only proper to remind security holders that the stock market having advanced for some 15 months without any reaction worthy of the name, had attained a level, at its present tops, from which an orthodox intermediate correction of 10% to 15% would fall within the realm of distinct possibility.

Holders who have within their portfolios securities which have enjoyed a full share of the advance, might well consider the advisability of accepting at least partial profits, for the purpose of establishing an appropriate if moderate cash reserve, to be held awaiting developments between now and Spring—harking back to the threadbare but time tried proverb, "A bird in the hand is worth two in the bush."

To sum up, then, I would say that:

1. Developments in the Formosa area must be closely watched.
2. The business outlook for the first half of 1955 is good.
3. Developments in the U. S. automobile industry may be a factor of uncertainty in the second half of 1955.
4. Unless prospects worsen materially, 1955 holds promise of being another good year in business.
5. Doubts surround the prospect of the farm implement industry for 1955.
6. The textile industry in both the United States and Canada shows signs of betterment.
7. Barring any major psychological upset, individual spending should be well maintained in 1955.

* * *

**E. S. MILES; Burns Bros. & Co. (Toronto)**

For most owners of Canadian common stocks, 1954 was an unusually good year. With few exceptions, industrial stocks were in strong demand throughout the year. The average industrial stock (as distinguished from the "averages") rose in value by about 50%.

Shares of the more mature base metal companies also reversed a two-year decline and were being sought after in the latter part of the year. Similarly with the western oils, which reversed a two-year downtrend.

The first few weeks of 1955 have given us some important clues as to what the trend will be in the coming year. Most industrial stocks have traded within relatively narrow limits and no basic trend in evidence. Base metals and oils have been quite buoyant.

I believe 1955 will be looked upon as "the year of the natural resource stocks." This encompasses the base metals, oils and pulp and paper stocks. The first two groups are coming into increasing demand and I believe the trend will be accelerated in the coming months.

The paper stocks were among the most buoyant Canadian groups in 1954. Perhaps a period of respite is due them to let them catch their breath. However, before the year is out I expect their upsurge to be renewed.

* * *

**R. A. DALY, JR.; R. A. Daly & Co. (Toronto)**

The stocks which are leading the way in the current bull market are those of our leading natural resource industries, e.g., pulp and paper, lumber, nickel, copper, base metals, aluminum and asbestos. The action of the stock market is indicating the likelihood that we are going to sell more of the above products in the export markets and at higher prices.

It is encouraging, too, to note that our two chief export markets, Europe and the United States, are becoming more prosperous and and in better shape to buy from us.

The possibility of another world war is felt to be less serious than it was. If we have world peace this will also help world trade and increase our export business. It is felt that the problem of Formosa will be solved peaceably.

If the premium which exists on the Canadian dollar were to disappear, this would be another bullish factor, not only for our export industries but also for our manufacturing industries which are dependent on the home market.

* * *

**MERRILL, LYNCH, PIERCE, FENNER & BEANE (New York)**

Much of the near-term improvement in business has probably already been reflected by the rise in common stock prices. It has, therefore, become more difficult to select attractive issues. Almost all groups have participated to some degree in the advance. However, many stocks are still available which have not participated fully in market improvement and which should share in future economic growth. It is still possible to find issues which sell at a reasonable price-earnings ratio and return an attractive yield from current dividend distributions.

Certain issues in the oil, railroad, steel, food, department stores, and utility groups fall into this category. In the speculative field, electronic (color TV) and airline (rising traffic) stocks have good prospects.

In recent active markets, there has been some evidence of an increase in speculation. We have noted a higher proportion of low priced and more speculative securities making up the list of most active stocks, while some of the better quality issues have had reductions in activity in recent upward markets.

Nevertheless, speculation does not appear to be excessive. Debit balances as a percent of market value are near the low for years. Statistics of transactions indicated that odd lot trading relative to total trading remains under 10%, historically a conservative ratio.

It seems probable that 1955 will be less of a one-way street for the stock market than 1954 and that selectivity which was uppermost in the investor's mind at the beginning of 1954, but which got lost in the enthusiasm of later months will again become most important. It seems unlikely that the decline touched off by the rise in margin requirements early in January will generate much additional momentum.

## DIVIDEND NOTICES

**DIVIDEND NO. 61**

**Hudson Bay Mining and Smelting Co., Limited**

A Dividend of one dollar ($1.00) (Canadian) per share has been declared on the Capital Stock of this Company, payable March 14, 1955, to shareholders of record at the close of business on February 11, 1955.

J. F. McCARTHY, *Treasurer.*

### MACMILLAN & BLOEDEL LIMITED

**DIVIDEND NOTICE**

NOTICE IS HEREBY GIVEN that an additional dividend at the rate of 20c per share has been declared payable February 28th, 1955, to shareholders of record February 10th, 1955, on the outstanding Class "B" shares of MacMillan & Bloedel Limited.

The Transfer Books will not be closed.

Dated at Vancouver, B.C., this 21st day of January, 1955.

By order of the Board.

G. D. ECCOTT,
Secretary.

## NOTICES

### WESTBURNE OIL COMPANY LIMITED

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Calgary, Alta, Jan. 25, 1955.

To the Shareholders of Westburne Oil Company Limited:

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Westburne Oil Company Limited will be held at 221 Notre Dame St. West, in the city of Montreal, P.Q., on Friday, the twenty-fifth (25th) day of February, 1955, at the hour of four o'clock in the afternoon, for the purpose of receiving the Report of the Directors and the Balance Sheet and Financial Statements for the fiscal period ended December 31st, 1954, electing directors and appointing Auditors for the ensuing year, and transacting such other business as may properly come before the meeting.

By decision of the Board of Directors only shareholders of record or bearers of share warrants on February 11th, 1955 will be entitled to attend and vote at the Meeting.

Holders of share warrants are advised that in order to attend and vote at the above meeting they must deposit their share warrants on or before February 11th, 1955 at:

The Registered Office of the Company,
901, Eighth Avenue West,
Calgary, Alberta; or

The Office of
Montreal Trust Company
in Calgary, Alberta, or
Montreal, P.Q., or

The Office of
L. G. Beaubien & Co.,
221 Notre Dame St. West,
Montreal, Quebec

and receive a certificate which must be produced at the meeting, or if representation by proxy is desired, such certificate must be deposited with the proxy form at the Registered Office of the Company, or at its Executive Office, 233 Notre-Dame Street, West, Montreal, Quebec, before four o'clock in the afternoon, on February 23rd, 1955. Certificates deposited with proxy forms will be returned by registered mail immediately following the said meeting or any adjournment thereof.

Return of share warrants deposited as above will be made after the meeting or adjournment thereof upon delivery of the certificate to the office which issued same.

BY ORDER OF THE BOARD.

L. CORNEZ,
Secretary.

### IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED

TO THE REGISTERED HOLDERS OF THE 4% CUMULATIVE REDEEMABLE SINKING FUND PREFERENCE SHARES OF IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED.

**NOTICE OF REDEMPTION**

Notice is hereby given that Imperial Tobacco Company of Canada, Limited (hereinafter called the "Company") will redeem and hereby calls for redemption on the First day of March 1955 (hereinafter called the "redemption date") all its outstanding 4% Cumulative Redeemable Sinking Fund Preference Shares of the par value of Twenty-Five Dollars ($25.00) each.

On or after the redemption date the Company will pay or cause to be paid to the order of the respective registered holders of the said shares on presentation and surrender of the certificates representing their said shares at the office of the Crown Trust Company in any of the cities of Montreal, Toronto, Winnipeg or Vancouver the sum of Twenty-Five Dollars and Sixty-Two and One-Half Cents ($25.625) for each such share, plus an amount equivalent to all accrued and unpaid dividends thereon up to the redemption date, the whole constituting the redemption price,* in lawful money of Canada, at par, at any branch in Canada (Yukon Territory excepted) of The Royal Bank of Canada.

Notice is further given that an amount equal to the redemption price of all the said 4% Cumulative Redeemable Sinking Fund Preference Shares so called for redemption will be deposited by the Company on or before the redemption date with The Royal Bank of Canada in trust for the registered holders of the said shares so called for redemption and dividends shall cease to accrue upon the said shares from and after the redemption date and the rights of each registered holder of the said shares so called for redemption shall be limited to receiving, without interest, his proportionate part of the total redemption price so deposited, upon presentation and surrender as aforesaid of the certificate or certificates representing his said 4% Cumulative Redeemable Sinking Fund Preference Shares.

Dated at Montreal, the Twenty-Seventh day of January 1955.

Imperial Tobacco Company of Canada, Limited

H. E. Jackson,
Secretary.

*Shareholders of record at the close of business on 31st December 1954 will be paid on 1st February 1955 the final quarterly dividend of 25c per share for the quarter ending 31st January 1955. All accrued and unpaid dividends up to the date of redemption are equivalent to 8c per share, making the redemption price $25.705 per share.

## New Highs and Lows

During the week ended Jan. 29, 54 new highs and eight new lows were recorded among the general stocks on Canadian stock exchanges. In the mining group there were 45 new highs and nine new lows. In western oils there were eight new highs and four new lows.

**GENERAL**

**NEW HIGHS—1954-55**

Abitibi
Ang. Can. Tel. pfd.
Asbestos
Bank of N. S.
Beatty Bros.
T. G. Bright
B.C. Elect. 4% pfd.
B.C. Forest
B.C. Packers A
B.C. Tele.
Calgary Pwr. 5% pfd.
Cdn. Gen. Sec. A
Coglin, B. J.
Comb. Ent. pref.
Cons. Paper
Cons. Textile
Crown Trust
Crows Nest Coal
Dom. Engineer
Erie Floor A
Foundation Co.
Fraser Cos.
Gen. Dynamics
Gen. St. Wares
Gt. Lakes Pap.
Gt. North Gas
Hahn A
Huron & Erie
Hydro Electric
Imperial Bk. Warr
Inter. Nickel
Int. Util. pref.
Jam. Pub. Ser. pfd.
Laura Secord
Massey-Harris
Maule Ind. Inc.
Mica of Can.
Newfnd. Light
Noranda
North Star Oil
Do. Warr
Ogilvie Flour pfd.
Ont. Loan
Price Bros.
Rolland Pap.
Do. pref.
Royal Bank
Sangamo
Silverwoods A
Stand. Paving
Superior Prop. pfd.
Sup. Pet. pfd.
Union Accept.
West. Plywood B

**NEW LOWS—1954-55**

Butterfuly
Cdn. Fairbanks
Cdn. Food
Cdn. Westinghouse
Cons. Press A
Dom. Electro.
Fibre Products
River S. Mill B

**MINING**

**NEW HIGHS—1954-55**

Amer. Neph.
Barnat
Bouzan
Bunker Hill
Camp. Chib.
Coin Lake
Coniaurum
Cons. Cent. Cad.
Cons. Sudbury
Conwest
Coulee
Cournor
D'Aragon
Gaspe Copper
Glenora
Gunnar
Do. Warr.
Headway
Hoyle
Hudson Bay
Int. Nickel
Kayrand
Lake Osu
Lamaque
Macfie Explor.
Merrill Isle.
Mining Corp.
Nello
New Laguerre
New Marlon
Newnorth
New Rouyn
Nickel Rim
Noranda
Normetal
Opemiska
Que. Copper
Quemont
Sand River
Teck-Hughes
Thompson
Virginia
Waite Amulet
Weedon Pry.
Wekusko

**NEW LOWS—1954-55**

Bouzan
Buckles Alg.
Can.-Met. Explor.
Cons. Mosher
Cons. Northland
Gulch Lead
New Athona
Newlund
Winnipeg River Tin

**OILS**

**NEW HIGHS—1954-55**

Amer. Leduc
Jumping Pound
Peruvian
Scurry-Rainbow
Sparmac
Sunset
Trend
Western Warner

**NEW LOWS—1954-55**

Anglo Am.
Do. Rts.
Castle Oil & Gas
Coastal

# Grain Prices

## Chicago Futures

**Week to Jan. 31, 1955**

| Crop year from Aug. 1, 1954 High | Low | | High for week | Low for week | Close Jan. 31 |
|---|---|---|---|---|---|
| | | **Wheat—** | | | |
| 2.34¼ | 2.09½ | Mar. | 2.33½ | 2.29⅞ | 2.29⅞ |
| 2.30¼ | 2.07 | May | 2.29⅞ | 2.27 | 2.27¼ |
| 2.18¾ | 1.97½ | July | 2.15⅛ | 2.13½ | 2.13⅞ |
| 2.20½ | 2.09⅝ | Sept. | 2.17⅞ | 2.15⅜ | 2.15⅞ |
| 2.21¼ | 2.15¼ | Dec. | 2.21¼ | 2.19 | 2.19⅞ |
| | | **Corn—** | | | |
| 1.63½ | 1.52½ | Mar. | 1.55⅞ | 1.53⅞ | 1.54⅜ |
| 1.65½ | 1.54¼ | May | 1.58⅛ | 1.56¼ | 1.56⅞ |
| 1.66¼ | 1.55½ | July | 1.59⅞ | 1.58⅛ | 1.58⅜ |
| 1.61 | 1.52½ | Sept. | 1.55⅞ | 1.53½ | 1.53⅞ |
| 1.49¼ | 1.44¼ | Dec. | 1.46⅞ | 1.44¼ | 1.45⅞ |
| | | **Oats—** | | | |
| .85¾ | .74½ | Mar. | .79½ | .77⅝ | .78⅛ |
| .85 | .72⅜ | May | .76½ | .75¼ | .75⅞ |
| .77⅞ | .68⅜ | July | .71¼ | .70⅜ | .71 |
| .72¼ | .70 | Sept. | .72 | .71⅞ | .71¼ |
| | | **Rye—** | | | |
| 1.55⅞ | 1.13⅞ | Mar. | 1.26 | 1.23 | 1.25 |
| 1.55½ | 1.16⅞ | May | 1.28½ | 1.25½ | 1.27⅞ |
| 1.46 | 1.18½ | July | 1.29¼ | 1.26 | 1.28⅞ |
| 1.30 | 1.20¼ | Sept. | 1.30 | 1.28 | 1.29½ |
| | | **Soybeans—** | | | |
| | | Mar. | 2.84½ | 2.77¼ | 2.81⅞ |
| | | May | 2.80½ | 2.75⅞ | 2.77 |
| | | July | 2.77⅞ | 2.73¼ | 2.74 |
| | | Sept. | 2.59½ | 2.55¼ | 2.56 |
| | | Nov. | 2.51¼ | 2.47¼ | 2.49¼ |

## Chicago Cash

| | For Week Jan. 31 High | Low | Prev. Week High | Low |
|---|---|---|---|---|
| **Corn—** | | | | |
| 2 Yell. (new) | 1.58 | 1.58 | 1.56⅜ | 1.52 |
| **Oats—** | | | | |
| 1 H. Wh. | .88 | .87½ | .87½ | .86¼ |

## Winnipeg Futures

**Week to Jan. 31, 1955**

| Crop year from Aug. 1, 1954 High | Low | | High for week | Low for week | Close Jan. 31 |
|---|---|---|---|---|---|
| | | **Oats—** | | | |
| .86½ | .69⅞ | May | .85⅜ | .82¼ | .84⅜ |
| .83¼ | .77 | July | .81½ | .78⅜ | .80½ |
| .79 | .74¼ | Oct. | .77 | .76¼ | .76½ |
| | | **Barley—** | | | |
| 1.25½ | .95½ | May | 1.25½ | 1.21⅛ | 1.24⅛ |
| 1.51¼ | 1.03⅞ | July | 1.17⅞ | 1.13¼ | 1.16⅛ |
| 1.12⅜ | 1.05 | Oct. | 1.12⅜ | 1.08⅜ | 1.10⅜ |
| | | **Rye—** | | | |
| 1.45½ | 1.06⅞ | May | 1.25 | 1.21⅞ | 1.24⅛ |
| 1.40 | 1.12⅞ | July | 1.23¼ | 1.20⅜ | 1.22⅜ |
| 1.22⅜ | 1.16¼ | Oct. | 1.22⅜ | 1.19¼ | 1.21½ |
| | | **Flax—** | | | |
| 3.15⅞ | 2.56½ | May | 3.15⅞ | 3.07⅛ | 3.14⅛ |
| 3.11⅜ | 2.56⅞ | July | 3.11⅜ | 3.02⅞ | 3.10 |
| 2.96 | 2.84 | Oct. | 2.96 | 2.88¼ | 2.96 |

## Winnipeg Cash

| | For Week Jan. 31 High | Low | Prev. Week High | Low |
|---|---|---|---|---|
| **Oats—** | | | | |
| 2 C. W. | .97 | .94¼ | .93⅛ | .91⅞ |
| 3 C. W. | .89 | .84⅜ | .85 | .83¼ |
| **Barley—** | | | | |
| 1 Feed | 1.24⅜ | 1.22¼ | 1.22¼ | 1.13⅜ |
| 2 Feed | 1.23¼ | 1.21⅞ | 1.21⅜ | 1.12⅜ |
| 1 Malt | 1.35⅜ | 1.33⅛ | 1.33⅛ | 1.26⅜ |
| **Rye—** | | | | |
| 2 C. W. | 1.20⅞ | 1.19⅛ | 1.18⅞ | 1.13⅞ |
| 1 C. W. | 1.20⅞ | 1.19⅛ | 1.18⅞ | 1.13⅞ |

# Tape Records Airmen's Talk

(Continued from page 17)

in automatically in case of mechanical failure.

The machine, equipped with extremely thin tape developed by Sonograph, is designed to run for four hours unattended. In case of trouble, there is an alarm buzzer and flashing light to warn attendants.

The machine comes with a "player" which can be moved, for example, into a court enquiring into an air accident so that the actual conversation preceding the crash can be reviewed. It is equipped with a device which prevents erasure of vital information.

The first machine built was shipped to one of the RCAF's busiest stations—Centralia, Ont.—for a 600-hour test last summer.

While in use there, a unique situation developed which demonstrated a secondary but valuable function of the machine. When a jet-propelled plane approached requesting permission to make an emergency landing at what is primarily a non-jet station, the instructions given it and other airplanes in the vicinity demonstrated to station officials that the control tower men knew how to handle such a situation.

Without committing themselves, Sonograph officials expect the performance of their new recorder will impress not only the RCAF but the Department of Transport and air control people in the U. S. and lead to new orders for the bustling young company.

# 114 Stocks' Yield Averages 4.55%

Average yield on 114 dividend-paying stocks on the Toronto Stock Exchange, as compiled by Moss, Lawson & Co. on prices of Jan. 31, was 4.55%, unchanged from the previous week. Current yield compares with 4.51% one month ago, and 5.51% in the corresponding week last year.

Here is the yield by the various groups:

| | Jan. 31 % | Week Ago % | Month Ago % | Year Ago % |
|---|---|---|---|---|
| Common | 4.41 | 4.44 | 4.33 | 5.37 |
| Pfd. & A | 4.47 | 4.44 | 4.47 | 5.18 |
| Mining | 5.32 | 5.27 | 5.30 | 6.52 |
| Banks | 3.11 | 3.12 | 3.10 | 3.81 |

# COMPANY REPORTS

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

## Iron, Steel

**MASSEY - HARRIS - FERGUSON LTD.** consolidated net profit for the year ended Oct. 31, 1954, was $7,194,814, 2.3% less than consolidated net of the previous fiscal year of $7,365,521.

Accounts of the United Kingdom and the Ferguson companies are included for the first time. Substantial reduction in North American profits was largely offset by a marked increase in U. K. earnings, says Chairman and President James S. Duncan. Net income on a world-wide basis would have been $8.95 millions, including unremitted profits of subsidiaries not consolidated because of currency restrictions, stated the chairman and president.

World sales at $349.2 millions were 5.3% lower than in 1953, and "the company is well prepared for 1955 business opportunities," reports Mr. Duncan.

Shareholders at the annual meeting will be asked to approve creation of 500,000 preferred shares, par $100, and plans for the issue of the first series of 250,000 4½% cumulative convertible preferred shares are under way.

**CONSOLIDATED INCOME ACCOUNT**

| Years End. Oct. 31: | 1954 $ | 1953 $ |
|---|---|---|
| **Net sales** | ▲297,732,002 | ▲189,128,342 |
| Net earnings | 20,218,313 | 19,954,320 |
| Less: Deprec. | 3,233,134 | 2,690,416 |
| Def. income | ■309,106 | ■258,956 |
| Bank int. | 184,633 | 606,665 |
| Funded debt. int. | 1,998,819 | 1,900,674 |
| Income taxes | 8,400,000 | 7,650,000 |
| Add: Prof. sale cap. assets | 483,981 | ...... |
| **Net profit** | 7,194,814 | 7,365,521 |
| Less: Com. divd. | 5,700,280 | 4,887,986 |
| **Surplus for year** | 1,494,534 | 2,477,535 |

**Note**—accounts for 1954 include Canadian, U. S. and U. K. companies. Accounts for previous years include only North American companies.

■Reduction.

▲Including defence contract sales of $44,943,729 in 1953 and $42,755,425 in 1954.

**Times Debt Interest Earned:♦**

| | 1954 | 1953 |
|---|---|---|
| Before deprec. | 10.02 | 10.18 |
| After deprec. | 8.41 | 8.76 |

♦After bank interest.

**Earnings per Share and Dividend Record:**

| Com. (new): | 1954 | 1953 |
|---|---|---|
| Earned | $0.76 | *$0.96 |
| Paid | 0.60 | 0.60 |

*Based on 7,695,800 shs. outstanding throughout the year.

**CONDENSED CONS. BALANCE SHEET**

| As at Oct. 31: | 1954 | 1953 |
|---|---|---|
| Cash & gov. secs. | $15,165,796 | $14,971,941 |
| Accts. rec. | 54,260,932 | 28,031,497 |
| Rec. from subs. | 3,283,266 | 4,318,222 |
| Inventories | 87,133,696 | 81,251,948 |
| **Total curr. assets** | 159,843,740 | 128,573,608 |
| Prepaid chgs.§ | 1,503,426 | 1,054,210 |
| Invest. in subs. | 5,562,677 | 23,369,723 |
| Other invest. | 1,318,350 | 1,318,350 |
| Fixed assets* | 30,713,629 | 24,900,905 |
| **Total assets** | 198,941,822 | 179,216,796 |
| Accts. & tax pay. | 27,286,593 | 17,231,756 |
| Due U.S. govt. | 4,533,638 | ...... |
| Divd. pay | 1,425,072 | 1,425,067 |
| Due subs. cos. | ...... | 2,079,655 |
| Fund. debt pay. | 1,836,731 | 1,850,000 |
| Adv. pay'ts | 1,170,059 | 173,235 |
| **Tot. curr. liab.** | 36,302,098 | 22,759,713 |
| Funded debt | 47,220,000 | 47,950,000 |
| Pension fund pay. | 3,501,552 | ...... |
| Deferred | 2,708,150 | 2,143,302 |
| Reserves | 22,253,077 | 23,581,048 |
| Capital stock | 31,846,989 | 31,846,989 |
| Capital surplus | 1,785,973 | 1,785,973 |
| Earned surplus | 53,323,983 | 49,149,771 |
| *After depr. of | 30,809,707 | 25,753,939 |
| §Included in curr. assets in co's report. | | |
| **Working capital** | 123,541,642 | 105,813,895 |

**Note**—Accounts for 1954 include Canadian, U. S. and U. K. companies. Accounts for previous year included only North American companies.

## Finance

**LAMBTON LOAN & INVESTMENT CO.** net profit in 1954 was $69,379, 3.3% less than net in 1953 of $71,761.

| | 1954 | 1953 |
|---|---|---|
| Liabs. to public, etc.* | $5,729,130 | $4,872,935 |
| Shareholders equity | 1,733,539 | 1,727,360 |
| *Secured by: | | |
| Mtges. & sls. agree. | 4,894,226 | 4,198,606 |
| Office premises | 151,893 | 160,525 |
| Liquid assets† | 2,416,570 | 2,241,164 |
| **Total assets** | 7,462,689 | 6,600,295 |
| †Includes bonds and stocks. | | |
| Lambton Trust Co. stk. | 330,770 | 330,550 |
| **Net profit** | 69,379 | 71,761 |
| **Earned per share** | $4.39 | $4.54 |
| Paid | 3.00+1.00 | 3.00+1.00 |

# Catelli Sales, Earnings Up

Sales and earnings of Catelli Food Products in 1954 exceeded those of the previous year, with consolidated profit coming largely from the parent company.

This was stated by President Paul Bienvenu in the annual report to shareholders. Operations of the subsidiary covered only the last three months of 1954.

The new St. Thomas plant, with an annual capacity of over 12 million lb. of macaroni, should be in full production early in the spring, said Mr. Bienvenu. An issue of 4½% serial debentures was made during the year to cover equipment of the plant and financing the acquisition of assets and goodwill of the subsidiary. The redemption of debentures, stated the president, "should be facilitated by an enlarged volume of business at a reduced cost of operations."

Net profit amounted to $507,621, 14.9% higher than net of $441,786 in the previous year.

ANNOUNCEMENT

The directors of Vancouver Machinery Depot Ltd. and Vancouver Iron Works Ltd. announce the appointment of Mr. Donald B. Grant as President and General Manager of both companies. Mr. Grant has been associated with Vancouver Machinery Depot since 1946 as Secretary Treasurer and latterly as Executive Vice-President.

*Advertisement*

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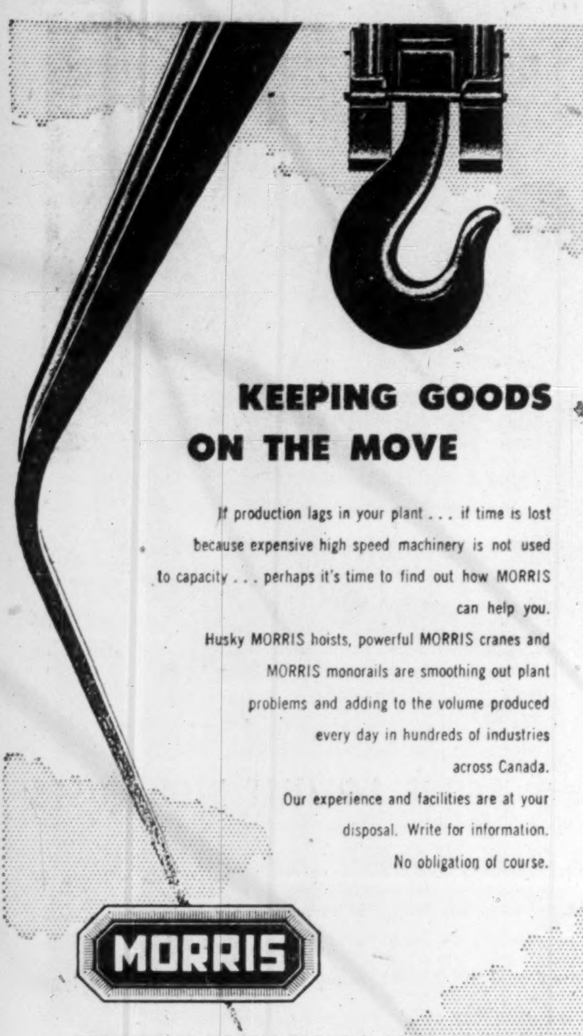

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# Expect Big Boost for Gunnar Earnings Almost 50% Lift Seen at 1,250 Tons

A much higher earnings potential now appears probable for Gunnar Mines big uranium mining operation at Beaverlodge than indicated earlier.

No official announcement of revised expectations may be made but available information supports this belief.

Higher indicated earning power stems from:

(a) Ability to treat an ore dollar grade perhaps as high as $45 a ton with anticipated selective mining, selective blasting of drill holes and other selective methods.

(b) Expected lower level of operating costs. A saving of as much as $1 a ton can be envisaged on previously estimated open pit mining costs of $1.80 to $2.20 a ton for open pit mining; excavation of 75% of the rock for the open pit has suggested such a saving. Further savings are possible and are expected on ore treatment and overhead costs.

(c) Anticipated ore treatment rate in excess of 1,250 tons will mean extra profits. A production rate of 1,500 to 1,600 tons daily is thought possible with present equipment. After the operation is worked in an ultimate production rate of 2,000 tons daily might conceivably prove possible with modest expansion.

What can this situation mean by way of higher earnings? Indications are that a gain in operating profits of almost 50% may prove possible on treatment of 1,250 tons a day. Earnings would apparently step up at least proportionately with any increase in tonnage over the 1,250-ton rate.

The arithmetic of possible higher earnings works out like this:

The prospectus issued for the purposes of senior financing last fall was an extremely conservative document as to production and earnings possibilities. The management and financial sponsors took great care to allow a substantial margin for possible error or contingencies. On capital costs there was over $1 million allowed for contingencies. The operation has run appreciably below earlier costs estimates.

In last fall's prospectus, it is possible to work out an average anticipated recovery of $34.20 a ton and an average operating cost of $14.64 a ton for initial three years of production.

Assuming a $45 grade and a 93% recovery (prospectus takes 90%), a recovery of $41.85 can be inferred — over $7 a ton higher than the prospectus recovery.

On the cost side, a $14.64 operating cost, it is thought, could come down to $13.20 a ton after allowing a saving of $1 a ton on open pit mining and other savings. (After the period of open pit mining, of course, costs will be higher again.)

After allowance for interest charges, an operating profit of $26.48 a ton is seen possible at 1,250 tons daily with a somewhat higher profit margin with larger, more efficient operation.

Even allowing for exercise of all 780,000 share purchase warrants, and corresponding enlargement of the common stock issue to 4,070,855 shares, operating earnings would be $2.93 a share at 1,250 tons daily, $3.57 at 1,500 tons daily, $4.22 at 1,750 tons daily and $4.87 at 2,000 tons daily. This, of course, makes no allowance for depreciation, pre-production expense write-offs, and profit taxes. However, the company will enjoy a three-year exemption from federal corporate taxation as a new production. It is also expected that only extremely small corporation taxes will be payable in the following two years due to the large write-off credits available after expiry of the initial three-year tax exemption period.

Thus the operating profits as outlined will be, in effect, realized cash profits although part will be earmarked for debenture retirement. Higher earnings appear likely to speed the process of debenture retirement in an important way, so that dividend prospects are not only improved but moved ahead.

At the time of last fall's $19.5 million debenture financing, Gunnar announced a scheduled production date of September, 1955. With excellent construction weather enjoyed and no unforeseen difficulties, the project is definitely ahead of schedule. If it should prove possible to reach production with one of the two units by early July — a possible performance — a record of three years from staking to production will be set. The property was staked by Albert Zeemel and Walter Blair on July 6, 1952.

## *Lake Nordic Cuts Uranium Beds In 1st Deep Test Hole*

Successful results have been secured in the first deep test hole at Lake Nordic Uranium Mines, according to an announcement this week by John B. Aird, president.

The hole, called N-2, entered the pyrite and uranium-bearing conglomerate series commencing at 2,440 ft. with these continuing to 2,487 ft. vertical depth.

Several conglomerate beds were cut, the best two of which assayed 1.70 pounds $U_3O_8$ over a thickness of 10 ft. and 2.60 pounds $U_3O_8$ over a thickness of 3.5 ft. Other assays, expected to be lower, are still awaited. The hole is regarded by Technical Mine Consultants, the property managers, as a success. Two additional drills will be added immediately to develop the indicated ore body. The drill now in use will move to a new site located 1,000 ft. east of N-2.

Over $1 million has been placed in the Lake Nordic treasury to date and the company is well financed for present drilling plans.

## Iron Ore Value Soon May Top Other Minerals

In a few years the value of Canadian iron ore production will exceed that of any other mineral, metallic or nonmetallic, with the possible exception of oil, M. S. Fotheringham, president and generel manager of Steep Rock Iron Mines, declared this week.

Last year, for instance, the value of iron ore produced at Steep Rock alone exceeded the dollar value of product from Canada's largest gold mine. It will not be many years before Canada's total iron ore production has a value of around $400 millions a year, Mr. Fotheringham stated.

Within the next 10 to 15 years Canada's already known major iron deposits can — and likely are to — provide between 30 and 40 million tons of high grade iron ore annually for the steel industry of North America.

"As a practical matter it would be impossible at present for Canada to find an export market for the steel produced from her surplus iron ore production," Mr. Fotheringham said. "But we can sell unprocessed ore to countries who already possess their own steel plants."

Much exploring remains to be done from the Arctic to the American boundary, and from coast to coast, before the complete iron ore picture will come into view. But even that one corner now visible reflects reasonable assurance of five to six billion tons of high-grade iron ore, conveniently located.

"Such vast reserves, and I believe the estimate is conservative, will support for generations the 30-40-million-ton annual output which I suggested as a reasonable objective for our new iron ore industry," Mr. Fotheringham says.

## Beaucage Readies For Drive at 300 ft.

With its shaft completed to the 400-ft. horizon, Beaucage Mines expects to have driving under way to the ore body at the 300-ft. level within the next two weeks, President D. D. Thomson reports.

The station for the 300-ft. level is now being cut.

It is anticipated that mining of between 4,000 and 6,000 tons of columbium-uranium ore for pilot mill test work will be completed by the end of March.

As the drive and crosscuts are put out underground, diamond drilling will be undertaken to further delimit the ore zones.

Mr. Thomson reports that Inspiration Mining & Development Co. is exercising its right, under subscription agreement, to purchase 200,000 Beaucage shares at $4 per share.

ANNOUNCEMENT

DIRECTOR OF SALES

C. O. "SYD" HURLY

whose appointment as director of sales for Chrysler Corporation of Canada, Limited, is announced by A. J. Shaw, vice-president in charge of sales. Mr. Hurly is assuming direct control over all the corporation's sales, advertising and merchandising activities. The appointment, Mr. Shaw stated, represents an expansion of the corporation's sales activities and is part of a comprehensive plan to give support to the dealer organization. Mr. Hurly, 40, was born in Toronto and has been associated with Chrysler of Canada since 1936.

## *Base Metals for Porcupine? Broulan to Drill Showings*

An interesting copper-zinc showing contained in a group of 90 claims covering favorable formation 15 miles west of Timmins is to be given a thorough investigation by Broulan Reef Mines in coming weeks.

Located in Godfrey twp., 90-claim block embraces 3,600 acres and includes 37 optioned claims. The group covers for a distance of approximately three miles a shear zone indicated by a map recently completed by the Ontario Department of Mines. A possible parallel shear is indicated about a quarter of a mile farther south, with a length of over 1½ miles.

An electro-magnetic survey is to get under way immediately and will, in the first instance, test an area of 1,500 acres. It is planned to commence drilling early in February to explore zones which have returned interesting values on surface and to test anomalies which may be indicated by the electro-magnetic survey.

As most of the area is covered by overburden only a limited number of mineralized showings have been found on surface. The most interesting showing is located about the centre of the group, where chip sampling of a trench along a mineralized zone returned an average of 3.33% copper and 4.13% zinc with low values in gold and silver for a length of 25 ft. The results of this sampling indicate the type of material which may be expected in the shear zones paralleling this trench at a short distance to the north.

Geological formations, alteration and mineralization indicate favorable conditions for the finding of base-metal ore bodies, and in many respects are similar to those found in the copper-producing areas of Quebec.

The option agreement which consolidated the group of claims, includes a working option to permit preliminary exploration of the property and provision has been made for the formation of a new company to acquire the claims. Broulan Reef will be entitled to receive about half of the vendors' shares for its claims and to take down shares of the new company for its expenditures.

ANNOUNCEMENT

DONALD R. DAWSON

has been appointed Advertising and Sales Promotion Manager of Canadian Schenley Ltd. according to an announcement by W. J. Tigh, company president. Mr. Dawson replaces Mr. W. G. Brayley who was recently appointed Assistant to the President.

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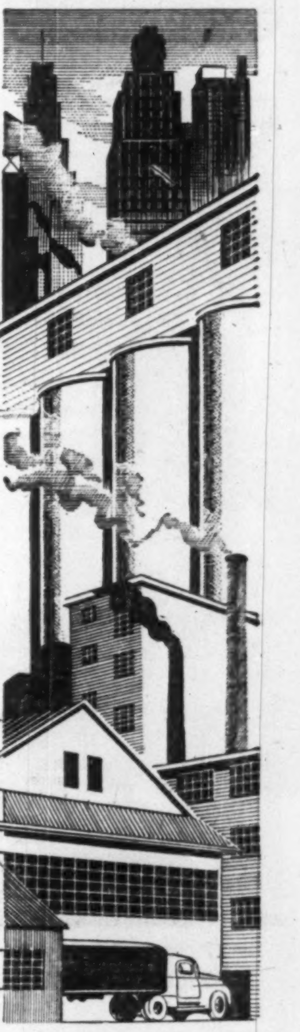

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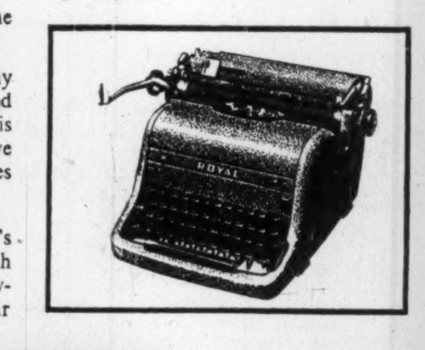

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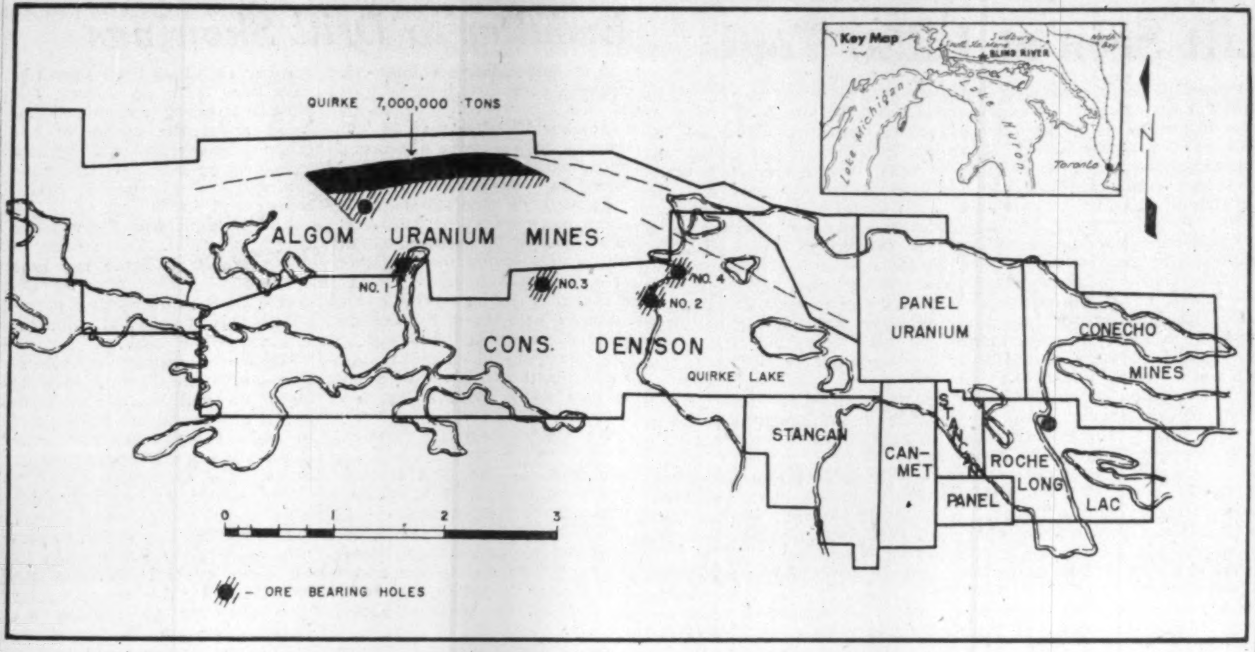
# Where Algom Uranium Expects Major Added Ore Riches



This will perhaps be the last authoritative sketch of one of the king-size ore bodies of Algom Uranium Mines to appear for many years.

Impending completion of major financing, and setting of a production date under a marketing contract with Eldorado, will likely put such matters as Algom ore grades and tonnages within the classified category within a matter of days.

The above sketch has much more than average significance.

It gives a graphic picture of why the over-all ore potential of Algom Uranium Mines is believed to be 100 million tons or more rather than just the 14 million tons outlined by drilling to date.

Excellent grade ore intersections secured by Consolidated Denison down dip and rake of the Quirke Lake ore body of Algom Uranium suggest the probability that drilling out of intervening ground will ultimately boost the Quirke Lake ore tonnage picture to 50 million tons or more.

Announcement that Lake Nordic Uranium Mines has intersected commercial uranium values down dip of the Nordic Lake deposit of Algom has provided a second situation duplicating that at Quirke.

At Nordic Lake, Algom has indicated by drilling seven million tons of ore down dip to a slope depth of 1,000 ft. Now it appears that the company can count on ore to a slope depth of 7,000 ft. With the great regularity of Blind River uranium structures, potential of this deposit can also be regarded as in the 50-million-ton bracket.

On the basis of an average grade of about 0.1%, 100 million tons of ore would contain 200 million pounds of uranium oxide worth perhaps in the neighborhood of $2,000 millions.

From a tonnage potential and uranium content standpoint, Algom may possibly have the largest known uranium occurrence in the world today. While the uranium business is shrouded in secrecy, there appear to be good reasons for thinking this is the case.

# New Cost-Aid Formula Keeps Golds Going But Spartan Existence Only Lies Ahead

Any hopes that the Federal Government would underwrite prosperity for gold mining under terms of extended cost-aid have undoubtedly been dashed.

But, on the other hand, the two-year extension appears to assure continued existence of the industry -- and mining settlements — without particularly enriching gold mine treasuries.

Gold stocks turned slightly irregular on the announcement of a cut in aid. Some reduction had been anticipated in gold mining circles.

The reduction in the Federal Government's annual bill for cost-aid from $16.5 millions to an estimated $12 millions will cut over-all industry revenues by about 3% but gold mine officials say the effect will be a lot more than such a small figure might indicate.

Here are some early points which appear:

—1. The fact that only mines with costs of over $26.50 an ounce are eligible for cost-aid (over $18 formerly) will cut off about 10 mines altogether at a saving of perhaps $2 millions or more to the federal treasury.

(Mines off cost-aid may include Kerr-Addison, Campbell Red Lake, Preston East Dome, Consolidated Discovery, Aunor, Barnat; however, increased costs might keep them on).

—2. Payment for next two years on basis of two-thirds of costs over $26.50 an ounce with a $45 ceiling will "squeeze" many middle bracket producers but may mean slightly higher returns for a few really high-cost mines such as Cariboo Gold Quartz, Starratt Olsen, Bevcourt, Beattie Duquesne, O'Brien. All these reported costs of $44.50 an ounce or more in a recent year.

A favorable factor for some mines will be payment on two-thirds of production in the current year. Formerly payment was made on basis of half costs over $18 an ounce for production in excess of half that in the base year. Mines which started producing before Jan. 1, 1950, could take 1948, 1949 or 1950 for their base year.

—3. Gold mines which have expanded output greatly since the base year — and have relatively high costs — stand to lose many cost-aid dollars under the new formula. Such mines will include Giant Yellowknife, Lamaque, East Malartic, Malartic Goldfields, Madsen and New Dickenson. These six received over $3 million in cost-aid in 1953, the latest year for which full cost-aid details are available.

### Not Seeking More Gold

Federal Government philosophy on cost-aid has obviously undergone a sharp change. Gold mines for years were led to increase production by a formula which assisted or subsidized ounces over a basic quota. This aided postwar recovery of gold mining, as the individual gold mine was able to get extra government assistance by boosting output. The new formula does not provide any comparable incentive to expand output. In fact, if it should mean reducing costs below $26.50 an ounce, a gold mine might find it highly desirable not to increase production.

Mine managements are busy, of course, figuring how lower returns from cost-aid can be offset.

Kerr-Addison, off cost-aid, will improve recovery with a new roaster by the end of March. Estimated cost-aid for this producer was $485,700 for the first nine months of 1954, illustrating the big saving the Government is making from this one mine alone.

East Malartic estimates that about $160,000 a year will be cut off its revenues as a result of the change. Officials at this mine are hopeful that this loss can be completely offset by drawing a higher grade of ore from lower levels of the mine. A considerably higher average of ore has been indicated at depth.

New Dickenson Mines anticipates a 40% cut in cost-aid on the basis of 1954 results. Further dividend action was deferred recently pending a government announcement on future cost-aid policy.

McIntyre Porcupine believes that the new formula will spell a reduction of $1 to $1.10 an ounce in its revenues.

Madsen is another of the mines which hopes to offset loss of cost-aid by an improvement in grade of ore treated. About a 50% cut in cost-aid is anticipated.

Giant estimates a 50% cut in cost-aid too but the current fiscal year will only be affected for six months.

The rise in the Federal Government's bill for cost-aid by $1.7 millions to $16.5 millions in 1954 in part reflected the switch to cost-aid by gold producers who had found the free market unprofitable.

With gold sold to the mint at Ottawa now fetching only $34 an ounce due to the premium on the Canadian dollar, gold production is far from the profitable business it once was. There was a slight increase in gold production in 1954 but the outlook of the industry for the immediate future appears to be far from bright.

# Rexspar 'A' Zone Standing Up Well

With the adit on "A" ore body of Rexspar Uranium & Metal Mining advanced into the structure well over 200 ft., development has been making excellent progress, J. W. Scott, mine manager, reports.

Adit zone intersections have been lining up well with surface drilling results which indicated the presence of an ore body containing 110,000 tons grading an average of $15.95 per ton at a $7.25-a-lb. price for uranium.

Engineers expect results of "A" zone development will produce similar results to those obtained in recent underground work on the company's 600,000-ton Black Diamond ore deposit which resulted in a substantial enlargement of the ore-tonnage picture indicated by surface drilling. In the last 86 ft. of advance the "A" adit has intersected two bands of ore-type material, 22 ft. and 10 ft. thick, respectively, with the face reported entering a similar band.

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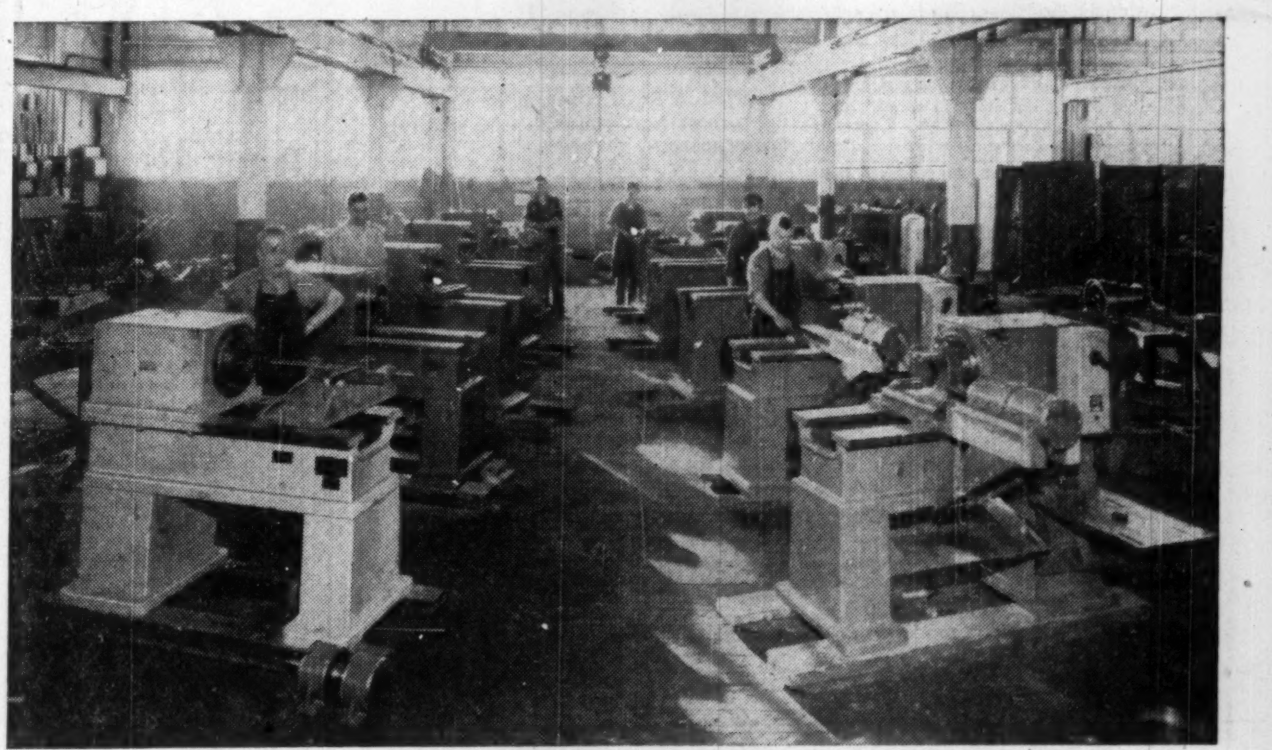
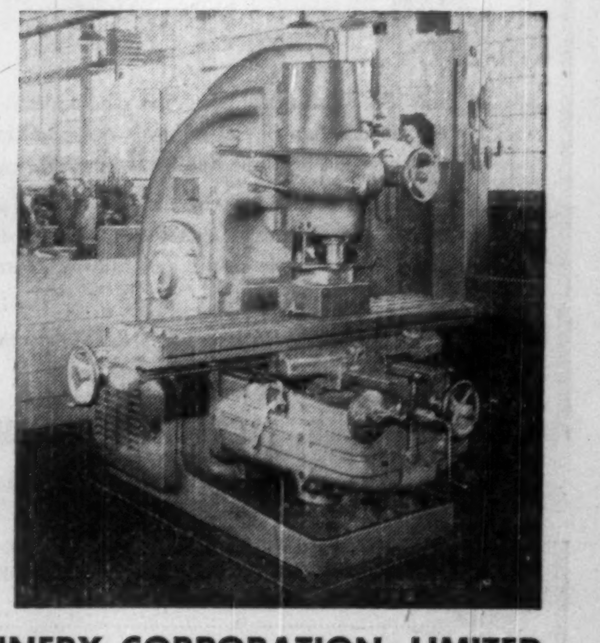
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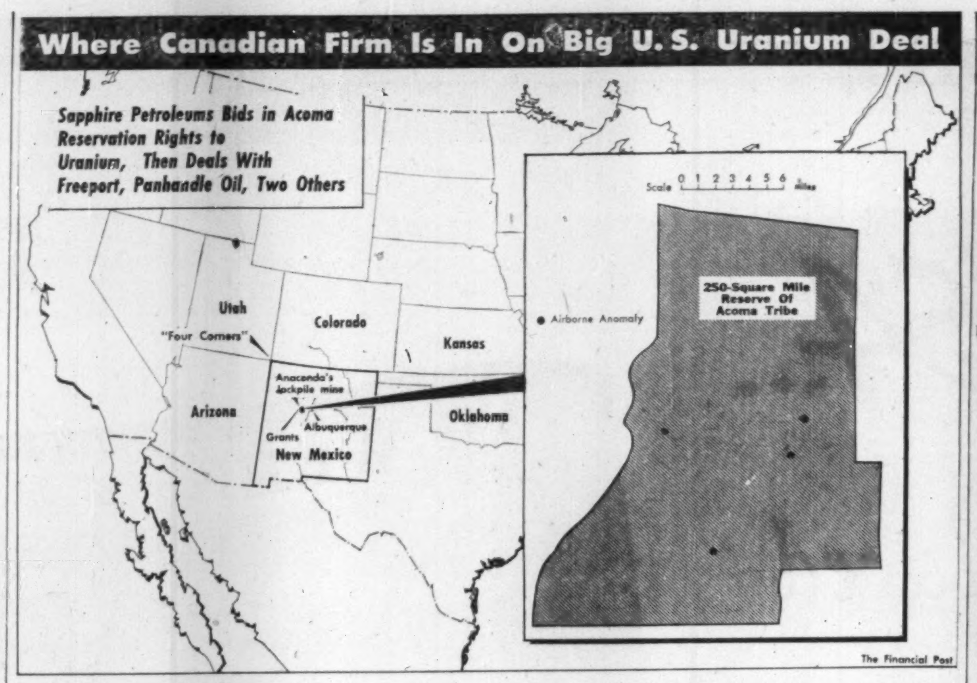
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The Financial Post

GOLDS '54 PROFITS

## Dome, Teck, Campbell, Gain Sigma & Lamaque Nets Off

Three of the early gold mines to report 1954 profits — Dome Mines, Teck-Hughes and Campbell Red Lake — show higher earnings. But two others, Sigma Mines and Lamaque, had lower net profits.

Here is the picture:

**Dome Mines** — Net profit of $1,790,724 or 92 cents a share estimated for 1954. Bullion output $5,867,430, cost-aid $670,000 and "other income" of $1,042,264. In 1953, net profit $1,668,906 or 86 cents a share.

**Teck-Hughes** — 1954 net profit of $872,022 equal to 18.14 cents a share, 4.4% above 1953, and best for some years. Ore reserves slightly increased. Drilling being undertaken at Gripp Lake north of Tashota. An anomaly below Lake Manitouwadge to be drilled next by Chip Mines.

**Campbell Red Lake** — A net profit of $1,088,613 or 27 cents a share realized in 1954 on production of $3,455,871 from 169,059 tons of ore. Estimated cost-aid receipts $248,000. In 1953, profit $1,008,704 or 25 cents a share on $3,082,929 output and $212,000 cost-aid.

**Sigma Mines** — Estimated net profit for 1954 is $484,959 or 48 cents a share. Bullion output $2,583,386 from 407,609 tons of ore. Estimated cost-aid receipts $232,000. In 1953, net profit $484,757. Estimated cost-aid $235,000.

**Lamaque Gold Mines** — Net profit for 1954 estimated at $929,250 or 30.98 cents a share. Gold output and cost-aid estimated at $5,026,879. In 1953, $950,551 net profit and earnings 32 cents a share.

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## Rare Earth Lets Adit Contract

Announcement is made by Col. W. H. Price, president, that Rare Earth Mining Corp. of Canada has let a contract to McNamara Construction Co. to drive an adit tunnel 1,600 lineal feet to intersect the Spence zone and No. 3 vein system.

This work will permit bulk sampling radioactive material in that area of the company's property near Tory Hill, in Haliburton County, Eastern Ontario.

Michael Finn will be in charge of the work for the construction company.

## Jonsmith Gets Good Results In Drilling New Dominion

An excellent chance for possible establishment of a new nickel mine is being revealed by Jonsmith Mines in drilling of its optioned New Dominion Nickel property four miles from its original mining property.

Geophysical work by technical staff loaned by Falconbridge Nickel Mines revealed an anomalous area with an east-west dimension of 1,000 ft. and with a 400-ft. north-south dimension. It is in this area that nickel-copper ore intersections have been secured.

Near the eastern boundary of this anomalous area, holes have been put down in grid fashion at 50-ft. centres with intersections secured which correlate to indicate an ore body. No. 101 hole gave 24 ft. averaging 1.95% combined nickel-copper values. No. 104 hole gave 18 ft. of 1.90% combined nickel copper while No. 105 hole showed 17.2 ft. averaging 1.61% combined nickel-copper. No. 106 hole has given the best results yet—2.10% nickel and .33% copper over 20 ft. Another zone appears to be coming in as well.

A second drill has been at work 800 ft. to the west and copper-nickel intersections have been secured here as well. No. 126 hole gave 49 ft. averaging 1.06% combined nickel-copper. No. 127 hole returned 1.43% combined values over 35 ft. No. 128 hole encountered a dyke but No. 129 hole got 17.2 ft. of 1.23% combined nickel-copper values. No. 130 hole has given 43.3 ft. averaging 1.27% combined nickel-copper.

Approximately in the centre of the anomaly area and 350 ft. from the east drilling is an old adit and surface showing. Ore grade samples have been secured here off the dump.

A third drill is expected to be added shortly for deeper drilling on the main anomaly area.

At the original Jonsmith property, exploration is continuing with three drills working underground. At a location 350 ft. northwest of the former ore zone, one hole gave 16 ft. of 1.30% combined nickel-copper and another 14.1 ft. of 1.46% combined nickel-copper.

## New Thurbois Getting More Ore At Agnew Lake

Uranium ore intersections have now been cut in five holes extending along a length of 500 ft. in the No. 2 pebble conglomerate zone of New Thurbois Mines at Agnew Lake.

A further ore intersection has been secured to the southeast on No. 3 zone and drilling is being done to extend this zone further to the east.

On the No. 2 zone, hole No. 206, 100 ft. east of the original 201 hole, has returned 9.3 ft. averaging 0.101% $U_3O_8$.

All further holes on this zone are awaiting final assays. No. 204, hole shows 0.11% $U_3O_8$ over 3 ft. at 100 ft. east of No. 203 with an adjoining radioactive section not yet assayed.

No. 205, 100 ft. east of No. 204, has 0.11% $U_3O_8$ over 2.7 ft. with additional assays awaited.

No. 208 hole is now drilling 100 ft. east of 206 and No. 207 is reported near completion 100 ft. east of 205.

A feature of the drilling on the No. 2 zone has been the excellent correlation of values

On No. 3 zone, No. 12 hole, 200 ft. south and 100 ft. east of Nos. 6 and 14 holes, gave 0.110% $U_3O_8$ over 9.7 ft. starting at 153.6 ft. This looks to be the faulted southeast segment of the No. 3 zone.

No. 14 hole, in the same section as Nos. 6 and 11 and underneath No. 6, gave 0.138% $U_3O_8$ over 9.3 ft. as well as two other interesting sections.

No. 15 hole drilled 100 ft. east of No. 12 gave 11.4 ft. of 0.053% starting at 91.3 ft. and No. 17 is now drilling to the east beyond that again. There is an uranium-bearing section of 500 ft. between No. 5 and 15 holes on No. 3 zone but one or more faults have made structural interpretation difficult from hole to hole.

Consideration is now being given to a series of deeper holes on No. 2 zone to proceed simultaneously with stepout drilling.

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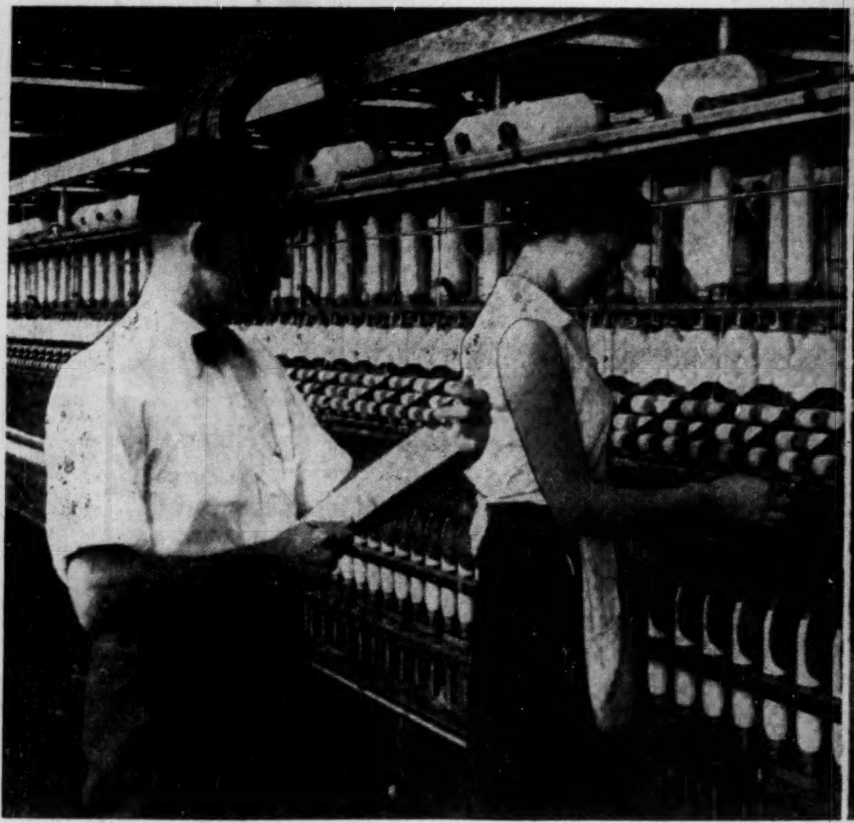

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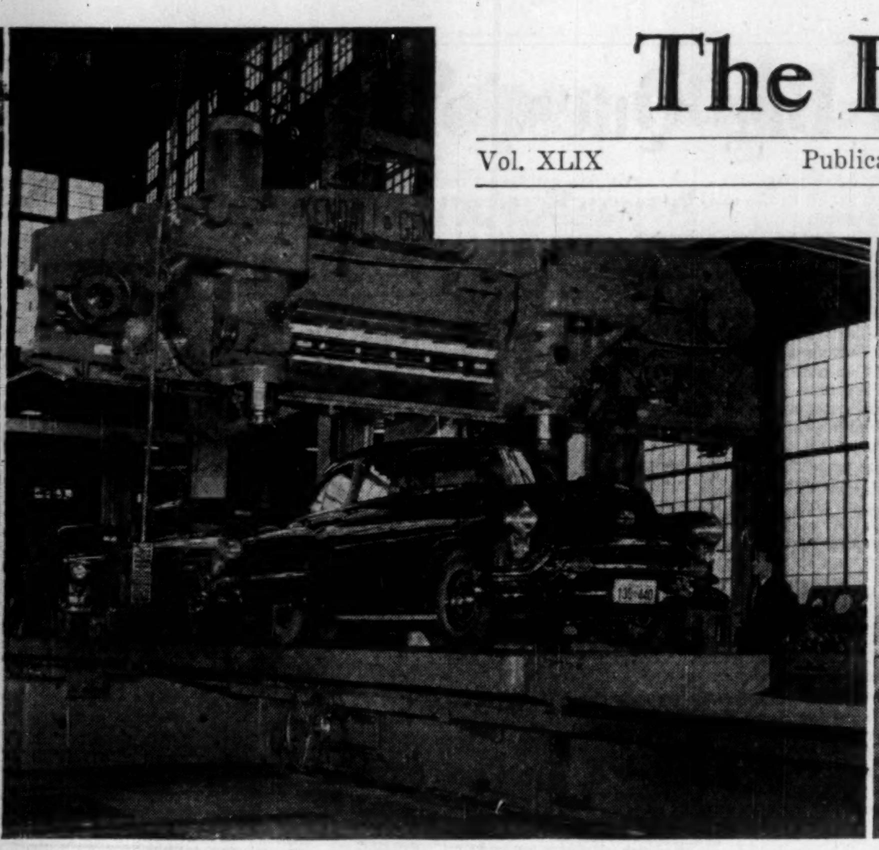

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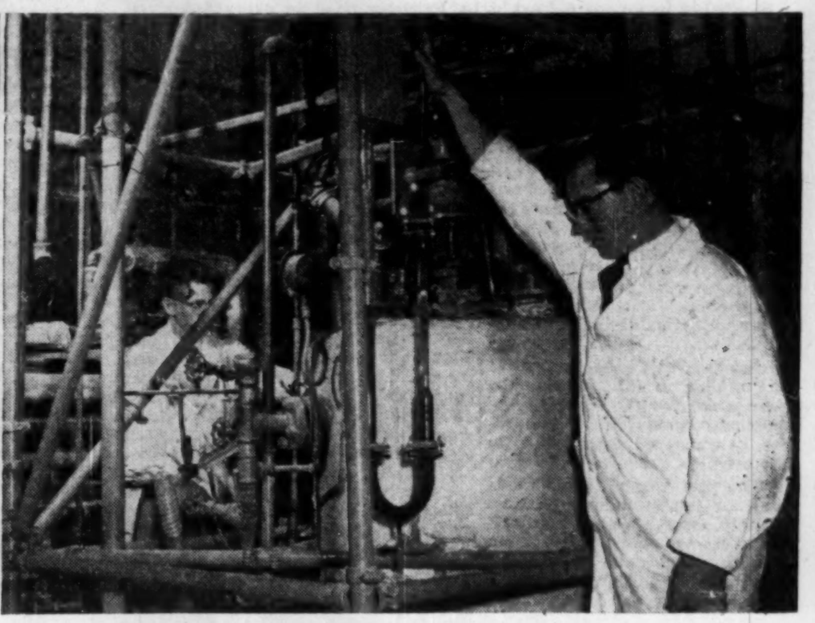


*and new chemical plants*

# Quebec Continues To Forge Ahead

## *Big Power and Mining Developments Hold Rich Promise for the Future*

By GORDON MINNES

At the Lachine works of Dominion Bridge Co. last October, a huge new open side milling machine went into action. It took two years to build, weighs a hefty 200 tons, and is tailored for work on big units of the type going into the Seaway and similar jobs. It is the largest of its kind in the world.

Several months earlier, a long train pulled into Seven Islands, bringing the first load of iron ore from the Ungava deposits 360 miles away. It represented the initial dividend from a $250 million railway-port-townsite investment of Iron Ore Co. of Canada.

In September, the largest Canadian retail construction job in 20 years was finished, as Simpson's opened a spanking new $7 million 10-floor addition to its Montreal store, doubling the size and raising total floor area to 474,000 sq. ft.

And late in the year, the 10,000 people of La Tuque were pleasantly jolted by news that Canadian International Paper Co. had decided to expand in their town, to the tune of $15 millions. Included is a huge paperboard machine with an ultimate capacity of 1,000 tons a day — the largest ever built.

Quebec is the oldest settled area of Canada, with a colorful history and a proud culture. Yet if one word can describe it today, that word is "change" — reflected in the restless expansion of recent years, which has brought sharp economic and social upheavals to the province, along with a higher standard of living than ever before.

The four projects mentioned are samples of this change. In Quebec manufacturing, the trend is to more specialized and bigger equipment as the Canadian economy matures and is able to support such installations. In natural resources development, sharp growth keyed to a rising world demand for the ingredients of modern-day living. In trade, steady expansion as population and income continue pushing higher.

### What Makes It Possible

Here are the main things making it all possible:

—great funnel-shaped rivers gathering water on the south slopes of the rugged Laurentian divide, then channeling it downhill to the St. Lawrence, creating a massive hydro-electric power potential.

—areas blanketed with rich softwood and hardwood timber stands in which three Great Britains could just about be fitted comfortably.

—ground studded with the key minerals of today's industrial civilization — iron, copper, asbestos, lead, zinc, gold, silver.

—a natural waterway cutting through in the South, leading northeast to the Atlantic and Europe, southwest to the industrial heart of North America.

—fertile lowlands stretching along either bank of this great inland transportation system.

Using these as the powder, and heavy injections of capital as the fuse, the biggest, longest-lasting boom in Quebec history was set off 10 years ago. And the face of the province has changed since then radically.

Today, Quebec is a curious mixture. On the conservative side is a clinging to the old ways of life and the traditions of French Canada, the closely knit family structure, the ancient sense of racial isolation.

But the march of industry, the waning importance of farming as a source of work, the movement of young men to the towns and cities, the growing strength of the trade unions — all are undermining the old order.

This, of course, is a process which has been under way for much more than 10 years in Quebec. It dates back to the days of the first big mineral discoveries and the harnessing of the rivers. But the decade 1945-55 has speeded it up as never before.

Using the standard yardsticks, things have never been better:

**Personal income** of Quebec's 4.4 million people probably reached close to $4.5 billions last year, up 4% from 1953 and double 1945. Allowing for increases in prices and population, the real gain per capita in recent years has been averaging around 3% annually.

**Manufacturing output** hit just over $5 billions, practically unchanged from 1953 but also double 1945.

**Pulp and paper production** rose to $525 millions, up two and a half times over the 10-year period, as tonnage hit a new high.

**Mineral production** climbed to $275 millions, a gain of 8.7% over 1953 and nearly triple 1945.

**Electric power output** increased to 34.8 billion kilowatt hours, up 3% from 1953 and 53% over the decade.

### The Big Power Projects

This year in the king-pin power industry, the biggest development under way is the $180 million job on the Bersimis, to create new capacity of 1.2 million hp by 1961. Being built by the provincially owned Quebec Hydro-Electric Commission, Bersimis No. 1 will be running power all the way to Montreal (400 miles away) by Christmas, 1956.

Bersimis is one of those really big, breathtaking projects which are fast becoming a Canadian trademark. It includes a 7½-mile tunnel, blasting and mining 2.2 million cubic yards of [illegible] and pouring enough concrete to build a sidewalk three feet wide and 1,400 miles long. The underground power plant will be carved out of solid rock in the wilds north of the St. Lawrence well below Quebec City, and will house eight of the most powerful generators ever built — 150,000 hp a piece.

It also illustrates the pace of Quebec development.

For the way things have been going, even its huge capacity will all be absorbed by 1962. Thus Quebec Hydro must already think about its next big project. Lachine Rapids, with 1.2 million hp, is one possibility, especially with the Seaway going through. But perhaps even brighter is First Falls, a site just 18 miles below Bersimis No. 1, with a capacity of 500,000 hp.

Other big hydro expansion in Quebec: 158,000 hp being added this year on the St. Maurice by Shawinigan Water & Power, 46,000 hp on the Gatineau by Gatineau Power Co., 35,000 on the Quinze by Northern Quebec Power Co.

All told, new turbines totaling over 225,000 hp will start turning this year. That compares with an average demand growth of close to 260,000 hp since 1945 and 210,000 over the last 20 years.

But for its contract to take 400,000 hp from the Bersimis, Shawinigan would have needed another new plant on the St. Maurice by 1956 to serve an expected 80,000-100,000 hp yearly demand gain on its system. It still has four undeveloped sites on the St. Maurice, however, with a total capacity of 714,000 hp. And after those are gone there are rivers running north from the Laurentian divide—to James and Hudson Bay—from which many now think power can eventually be driven economically into main consumption centres in the province.

Thus there's little chance of Quebec running short on power. Every year, engineering progress is making possible economical transmission of electricity over longer distance. Even if the power capacity in central Quebec is entirely developed in, say, 20 years —and it probably will be—rivers now raging unharnessed through Quebec's northern and eastern wilderness will be on tap.

Regarded by many as Quebec's number one asset, this hydro potential has acted in several ways to push the economic development in Quebec which has been so marked in the last 10 years.

First, it draws the industries to whom power is a vitally important operating cost; aluminum is the best example.

Second, it is often the deciding factor — all other things being equal — in industries where power cost is important but may be outweighed by markets, labor, transportation costs, raw materials: pulp and paper, calcium carbide, elemental phosphorus, metals for alloying purposes.

For the others, power cost doesn't really amount to much: textiles, electrical apparatus, petroleum products, for instance. But cost and availability of electricity still influence location to some extent. And many of these industries mushroom up naturally as a result of expansion in the other fields where power has played a leading role.

### Growing Chemical Industry

In chemicals (Quebec turns out about one third of the Canadian total), new plant construction has dropped off sharply in the past year. But it got a fresh lift in January, with plans of Davison Chemical Co., an offshoot of the giant W. R. Grace Co., of New York, for building a $6 million plant at Valleyfield, near Montreal, to produce synthetic fluid petroleum cracking catalysts. Next door, National Silicates will put up a sodium silicate plant, mainly to serve Davison.

And longer-term expansion plans in this—one of the postwar growth leaders in Quebec—are still firm. At Varennes, just off the tip of Montreal Islands, Shawinigan Chemicals several years ago bought up hundreds of acres, figuring on a multi-million dollar integrated development. Varennes is ideally suited for chemicals expansion — smack on the great water transportation route, with cheap hydro-electric power available. The current period of consolidation in Canada's chemical industry has delayed this —although two plants have gone in at Varennes—but it's still on the longer-term books.

Meantime, a first cousin of the chemicals industry—oil refining—is still growing on the eastern end of Montreal Island. There, the greatest concentration of refining capacity in Canada is housed.

Shell Oil is starting a $4 million program, to boost capacity from 44,000 bbl. to 55,000 bbl. a day by late this year. B.A., with 45,000 bbl. of capacity, is spending $3 millions on a catalytic reformer to raise the octane rating of its gasolines.

Imperial is just finishing up a $10 million program, raising capacity to 58,000 bbl. And Canadian Petrofina, the new Belgian-backed entrant to Canada's hotly competitive oil refining and marketing race, by late this year will have spent $20 millions and opened a big new plant to process 20,000 bbl. a day.

By the end of 1955, Montreal East will have 220,000 bbl. of refining capacity, about one third of the nation's total. Ultimately, Western Canada crude may be traveling through new pipelines to serve some of this capacity, although this is some years away yet.

Expansion in pulp and paper, Quebec's biggest industry, is also continuing. But quietly, for the most part, for much of it is happening inside old mills where engineers and scientists are tinkering with existing machines, getting them to run a little faster.

Since 1945, Quebec newsprint mills have raised their productive capacity by around 650,000 tons. Yet nearly all of that—95% or so—has come from increasing the speed and efficiency of old equipment.

The increase alone is not far under the total productive capacity of British or Finnish newsprint mills (730,000 tons apiece) and is more than that of any other country except the United States. It brought the end of 1954 total to around 3,050,000 tons, or nearly a quarter of the world's capacity.

This newsprint increase through machine improvements still has a long way to go. And it's being balanced by expansion in other lines: Canadian International's $15 million kraft pulp and paperboard program at La Tuque, Canada Paper's $5 million outlay at Windsor Mills which includes a new paper machine.

One of Quebec's main problems in the past has been too great a dependence on a few big industries. But in the mighty boom of recent years, secondary and light manufacturing has been getting more important. Canada and the U.S. have been financing most of this type of growth, and it has given the province a stronger industrial base.

The Eastern Townships, for instance, have been setting a stiff pace. Twenty-five years ago, farming and textiles were the mainstays of this whole area; now it is a hive of diversified industry.

Southern Canada Power Co., the major electrical utility of the Eastern Townships, has played a key role in this change. And it lists over 60 new industries, new plants, or expansion programs under way in 1954. They give some idea of the scope of present-day Quebec development. Among them:

—**Cables, Conduits & Fittings Ltd.**, controlled now by the Pirelli interests, of Switzerland, launched a $2 million expansion at St. Johns. Included is a 65,000 sq. ft. plant to make high-tension cables up to 220,000 volts.

—**Kambly of Canada Ltd.** is now making chocolates and other candy in a 30,000 sq. ft. plant at St. Hyacinthe.

—**Bolta Plastics Ltd.**, turning out injection molded plastic articles, built a new 10,000 sq. ft. extension at Granby.

—**Lightning Fastener Co.** is building a 20,000 sq. ft. plant on 10 acres at Beford, for making zipper fasteners.

—**Peerless Rug Co.** has started building a 25,000 sq. ft. plant at Acton Vale.

—**Griffin Steel Foundries Ltd.** started producing railway car wheels and wear-resistant castings in a new $2 million plant at St. Hyacinthe last year.

Despite this growth, there is room and a need for much more. And this leads into one of several problems in Quebec today, which rub a bit of the glamour off the boom.

The Quebec population is increasing rapidly. Young men are leaving the farms in greater and greater numbers. Average age of the population is considerably below that of neighboring Ontario. And few young French-Canadians leave their province.

That gives Quebec a good labor supply, and this is one reason why wage rates in the province have generally lagged behind Ontario. There are other reasons—one labor economist says that Quebec government obstruction of trade unionism is a key factor—but the supply-demand equation is probably the main one.

Thus, say some analysts of the Quebec economy, the province must increase its rate of expansion, both to absorb the steadily expanding labor pool and to bring wages to levels comparable with Ontario. And the increase is needed mainly in the type of industries calling for a higher skill and thus paying bigger rates.

Some Quebec industrialists are disturbed about another, entirely different, type of problem: higher costs, which could limit expansion.

President J. A. Fuller of Shawinigan, for instance, pointed out recently that cost of hydro power today is almost the same as power produced by thermal plants located to benefit from a low cost of fuel.

His conclusion, especially significant to Quebec where low-cost power has been a magnet: "I therefore think that we are less likely than in the past to see new plants in this type of industry locate in Canada — at least where they look to the United States and countries other than Canada for markets for their products."

# The Seaway: Burden or Blessing for Quebec?

## *Montreal Takes Long, Hard Look At Boom Along the St. Lawrence*

By PETER NEWMAN

Will opening of the St. Lawrence Seaway be the greatest all-round boon to Quebec since Maisonneuve conquered the Indians? Or will ships bypass the province on their way inland?

Today, only one thing is certain: The Seaway will not be just a wider, deeper ditch. Its completion will open up a new way of economic life for Quebec.

The project's transportation aspect should mean not only cheaper movement of Quebec's outgoing produce and incoming requirements, but also an expanded significance in the strategic position of Montreal, at one end of the great inland waterway.

The Seaway will inevitably advance the business health of the province, because of one simple economic law: Trade rather than navigation is the spur to shipping.

However accessible, a channel's value rests largely in the profits offered by its passage. The Seaway won't be used just because it is there. Ships will need sound economic reasons for embarking on the slow, twisting voyage inland.

Also, some 68% of Montreal's present incoming harbor traffic is destined for the city or its immediate vicinity; 42% of outgoing cargoes originate from the surrounding territory. The Seaway cannot threaten this movement.

With completion of the improved canal system, Montreal is sure to attract more of the short-distance traffic from and to Ontario, as well as acting as transshipment point for some of the new volume of traffic that will seek the long water route to the interior.

Most of the cargo which will be lost to Montreal through construction of the Seaway is already bypassing the city. It is now being carried over railroads and highways in the Northeastern U. S. With the possible exception of some grain movement—if elevators are provided at Seven Islands—the Seaway will not likely siphon off or divert much of the existing flow of bulk cargo to and from Montreal.

Expanding economic activity in the St. Lawrence Valley region resulting from the Seaway will produce a new volume of shipping demand that is expected to more than replace any temporary losses to Montreal Harbor.

### Slice Bigger Pie

"It won't be the same traffic pie that is being sliced up," says George S. Mooney, leading Montreal economist. "It will be a bigger pie cut into more slices, and Montreal's share is likely to be as big, if not bigger than the relatively large share of the smaller traffic pie that now exists."

Guessing the potential traffic flow through the St. Lawrence Seaway has become the favorite parlor game of Canadian inland shipping operators. They seem to agree that an ocean-going ship will pass through Montreal every 45 minutes during the 244-day shipping season. That's 32 ships a day, or 7,808 a year with a maximum capacity of 78 million tons. (Actual tonnage will be much smaller, because the 78 million is estimated on the basis of each vessel being the largest size which can be accommodated by lockage capacities.)

Today, about 150 million tons of freight move through the Great Lakes every shipping season; total investment in Great Lakes shipping borders on $600 millions.

Will the deep-sea merchantmen stop at Montreal or go on into the continental heartland—the Great Lakes area, which holds 60% of North America's population and 65% of the continent's manufacturing capacity? There are concrete indications that many of the sea-going vessels will find it more economical to transsship to lake ships somewhere in the Province of Quebec.

Routing of a deep-sea ship into the Great Lakes would involve an additional 2,000 miles of steaming—a trip of almost three weeks. An ocean-going ship, with its strong frame, scantlings, reinforced decks and bulkheads able to withstand buffeting by the angry ocean, is an expensive investment. It will not always be economical to send a modern merchantman into the winding 27-ft. channel.

Montreal will definitely remain the main eastern Canadian passenger terminal for trans-Atlantic travelers. The port now handles an average of two liners a week; five ships every seven days are forecast following the Seaway opening. With its huge refinery installations at Montreal East, the city will also hold on to its role as a major shipment point for inland-bound oil cargoes.

### Shipping Record

During 1954, a record total of 1,788 ships visited Montreal, with outgoing seaborne traffic amounting to 4.1 million tons and incoming cargoes totaling 5.4 million tons. Here's a breakdown of the commodity movements during the past three years:

| | | 1954 | 1953 | 1952 |
|---|---|---|---|---|
| Cement | IN | 264,500 | 222,469 | 212,822 |
| | OUT | 145,000 | 115,259 | 104,611 |
| Gypsum | IN | 303,000 | 235,604 | 204,717 |
| | OUT | 30,000 | 31,635 | 54,750 |
| Phosphate | IN | 125,000 | 108,627 | 75,235 |
| | OUT | ...... | ...... | ...... |
| Iron Ore | IN | 101,000 | 86,471 | 206,366 |
| | OUT | 101,000 | 86,471 | 202,414 |
| Iron or Steel | IN | 81,500 | 101,431 | 90,853 |
| | OUT | 7,500 | 23,091 | 14,544 |
| Motor Vehicles & Parts | IN | 13,666 | 32,428 | 39,851 |
| | OUT | 27,600 | 31,631 | 26,093 |
| Iron or Steel Scrap | IN | ...... | 12,328 | 6,482 |
| | OUT | 126,000 | 179,551 | 36,519 |

Last year's traffic strained port facilities.

Harbor storage was so crowded that vessels had to give a week's notice for shed space. The harbor now has no accommodation for the large bulk carriers, which are expected to bring grain down from the Lakes through the new seaway.

There is no provision to take care of transient shipping, wishing to load or discharge part loads.

The port has no public shore cranes and only one floating crane capable of lifting a 75-ton maximum.

Montreal's grain elevators now have a practical operating capacity of 12 million bu.; facilities have not been enlarged since 1928. (Consideration is now being given to construction of five million bu. of additional elevator storage and a $7.3 million harbor modernization program has started.)

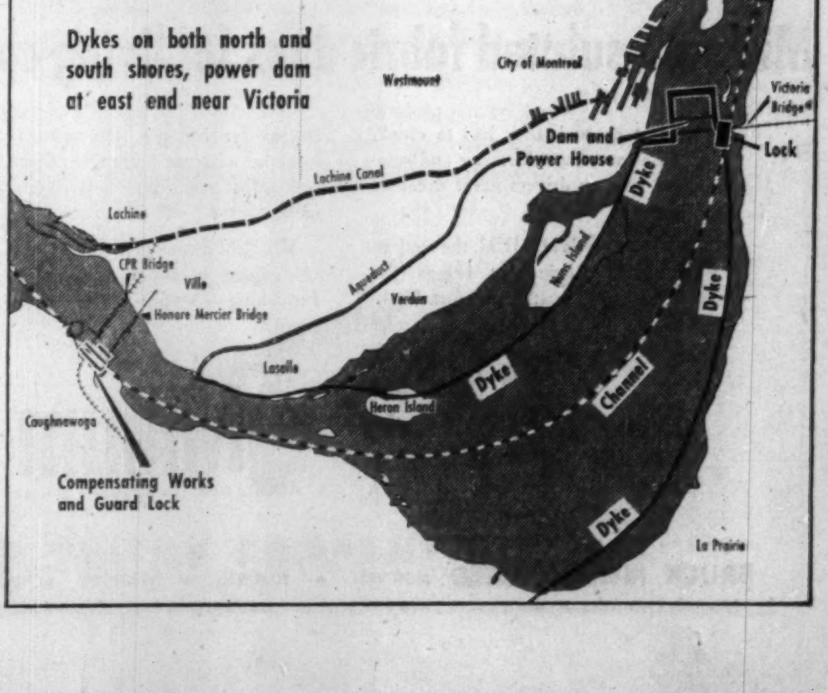
Montreal's harbor equipment has suffered from its monopolistic pre-Seaway position and is not prepared to compete with brand-new inland port facilities. Because shipping costs are largely conditioned by handling efficiency, it has already been forecast that Montreal must at least double its present port facilities to remain economically competitive.

The deepened St. Lawrence canals will carry 50 million tons of U. S. and Canadian freight by 1962 (some 36 million tons in 1959) instead of the present 10 million tons. The extra 40 million tons is equivalent to the combined tonnage now being handled by the harbors of Montreal, Vancouver, Halifax, St. John, Quebec and Toronto.

Labrador ore will move to the Great Lakes about as cheaply as Mesabi ore does now. The $200 million yearly saving which will result in the steel transport bill, will write off in five years the total cost of the navigation and power projects. The ore upbound from Seven Islands to Great Lakes ports will represent 40% of the 50 million ton movement; ore traffic will be handled by lake ships with a greater capacity and lower rates due to their special construction.

These freighters are going to be able to compete successfully with ocean ships for handling grain and coal as ballast from U. S. Great Lakes ports to Hamilton, Toronto and Montreal. The grain and coal traffic will represent about 20% of the total freight traffic on the new canals, so that the increase in ocean ships traffic will probably remain

(Continued on page 34)



# 'Different' Quebec Draws Tourists

Steeped in its unique old world atmosphere, supplemented by modern tourist accommodations, Quebec Province last year played host to 4.5 million visitors.

They came to see what makes Quebec "different." In the process of finding out, they left behind nearly $150 millions.

Comparison with 1953, shows that 1.3% fewer U. S. citizens enjoyed a Quebec holiday. But the province continued to expand its share of total Canadian tourist spending, which has increased from 3½% 25 years ago to around 35% in 1954.

The visitors spent 22,547,600 tourist-days in Quebec as against 22.8 million in 1953. During the year, some 956,565 visiting automobiles crossed provincial borders, as compared with 969,165 in the previous year.

"The past year's figures prove that our tourist industry is now soundly established and that it has become one of the main sources of revenue within the province," says Georges Leveille, director of the Quebec Publicity Bureau.

He points out that nearly all countries in the civilized world are now catering to the tourist trade. "We hope that everyone in our province realizes that tourism is the business of all Quebec people. It is our people who can help in conservation of our resources—game, fish, furs, monuments, architecture, folklore, literature, music, etc. It is our people who must be courteous and cordial to the visitors, because the whole economy of tourism would be imperiled if our people were not prepared to be tourist-minded in every possible way."

### Course In Hospitality

Behind the mushrooming influx of holiday visitors, is a $1.2-million advertising and publicity program of the Provincial Government. In 1954, newspapers, magazines, radio, television, films and many other media used to tell Quebec's story. Information offices are maintained at the Rockefeller Plaza in New York as well as Quebec City, Montreal, and various resorts.

Approximately one million brochures, booklets and posters are distributed every year and 5,000 films are circulated all over the world. To help Quebec's 3,000 hotel and inn keepers, the Provincial Government sponsors a month-long course in the fine art of hospitality. Other educational projects and publicity campaigns are carried out by regional associates including Laurentian Resorts Association and Northern Resorts Association.

This year, for the first time, a tourist course has been instituted at Laval University at Quebec City. Georges Leveille has been named president of Canadian Association of Tourists.

Much emphasis is now being placed on expanding tourist business into a year-round proposition. With good skiing weather on Laurentian hills since early December, Quebec resort operators are forecasting one of the best seasons on record for 1954-55. Some resort owners note that tourists aren't spending money quite as freely as in other seasons, but winter bookings have been very heavy.

As well as skiing and skating, more and more Laurentian resorts are diversifying their facilities to include curling, skijoring and team tobogganing.

Laurentian resorts begin 35 miles north of Montreal and line the highway and sideroads for the next 40 miles. Hills now boast more than 1,000 miles of ski trails equipped with 78 tows. Since the war, winter travel into the lodges has increased by 500%. There are 33 first class hotels and about 200 smaller resorts—most operating 12 months a year. (They generally count on about seven months of profit, three months of break-even operations and two months of staying open at a loss.)

### Winter Draws

The Provincial Tourist Bureau this fall urged U.S. skiers to sample the slopes of "La Belle Province" and flew a daily load of "genuine" Quebec snow to a downtown New York showcase. Helping to lure more people to Quebec in the winter will be the Laurentian Winter Carnival at St. Agathe, Feb. 12 to 22. It will feature a three-day husky dog-racing meet. There is also the winter carnival in Quebec City which started on Jan. 6 and will go on for six weeks. This event features a masquerade ball, dog derbies, parades and winter sports.

The City of Montreal estimates that 1954 meant $80 millions in tourist expenditures. J. G. Contat, general manager of Ritz-Carleton Hotel, states Montreal will continue to grow in stature as one of the major tourist cities on the continent during 1955 because it will play host to a large number of important national and international conventions.

Construction of the new $20-million CNR hotel near Central Station, will add 1,216 rooms to Montreal's convention capacity. The modern hotel is expected to be completed in May, 1957.

The lore-steeped scenic majesty of primeval Gaspé Peninsula, with its rugged countryside, also is attracting increased attention from the holidayers.

# The Big Questions on the Seaway

(Continued from page 33)

a somewhat limited factor in the total freight handled over the Seaway.

The parade of ships that will bring through the Seaway an annual traffic total almost twice that now passing through the Panama Canal, will also spur the economic life of Seven Islands, Three Rivers, Quebec City, Sorel and other St. Lawrence ports.

At Sorel, an ambitious Chamber of Commerce representative has already declared: "This place could become a Canadian Pittsburgh. It's within commuting distance of Montreal and has plenty of room for expansion."

A new town is expected to mushroom around the huge Iron Ore Co. of Canada transshipment docks now being erected at Contrecoeur, 20 miles east of Montreal, on the South Shore. Neighboring communities will participate in this expansion; St. Lambert, Greenfield Park, Mackeyville, Ville Jacques Cartier, St. Hubert, Ville Lemoyne and Longeuil are all already experiencing a real estate boom.

The Seaway will turn the Laprairie Basin into Canada's largest deep-sea harbor—its shore lined with docks, piers, sheds and warehouses. Coupled with the proposed Lachine power development, the Basin could become one of Canada's major industrial locations. By 1960, the area is expected to at least double its present population of 200,000.

Right now, some 2,000 homes worth about $24 millions are under construction in the area. Real estate, worth only $400 an acre two years ago, has skyrocketed to well over $1,000 and almost every farmer is holding an option on his land as a potential factory site.

Heavy industry, especially companies with electro-chemical and metallurgical processes, are reported to be especially interested in the Basin. With tidewater at their doorsteps, and a potential 1.2 million hp. of electricity available, attractive possibilities are being envisioned. Primary steel-making installations are one distinct probability. (The Post, Jan. 22.)

It's estimated that construction of the Seaway power project at Lachine would create 462,000 new jobs around Montreal—a total greater than all the manpower available throughout Canada, excluding the country's three largest cities. (This prediction is based on the fact that 385 new jobs are made possible by every 1,000 hp. of energy.)

One already serious provincial problem, however, will deteriorate further with advent of the Seaway. This involves communications between the two banks of the St. Lawrence River. With assured industrialization of the South Shore, already inadequate cross-river traffic facilities will be strained beyond economical endurance.

Present Seaway plans simply call for the rebuilding of bridge approaches and the raising of the Mercier and Cartier bridges to allow 120-ft. clearance above water level. The aged Victoria Bridge is to have a lift span installed, with roads running along the Seaway dikes to redirect traffic when a ship is passing. Montreal traffic authorities have already labeled this structure a "death trap and bottleneck."

First stone of the Victoria Bridge was laid by Lord Elgin, more than a century ago. It was modernized in 1890 and officially reopened as the "Victoria Jubilee Bridge" in 1901 by Queen Elizabeth's grandparents. Maximum life remaining to the ancient structure has been set at 11 years. The proposed Seaway remodeling will cost $7 millions.

"It is certainly praiseworthy to spend money to preserve an historic landmark," remarked the Montreal Star in a recent editorial, "but this is not a matter of history; it is a matter of transportation."

With tongue-in-cheek, a Montrealer wrote a letter to the editor of the Gazette, suggesting' "Place an upright under the centre span of the bridge. This would result in a teeter-totter, leaving motorists no more up in the air than government planners."

Aside from its hard-hitting economic effects, the Seaway will drastically change the physical appearance of the Montreal area. If the Lachine power project is proceeded with, a dam will be built below Victoria Bridge, with long dykes on both sides to prevent property flooding. This, plus another dam to be built near St. Therese Island, will create a harbor pool extending to Longue Point. Entrance to Montreal from downstream and upstream will be by locks with lake traffic steaming into the inland Seaway channel through gates near the Caughnawaga Indian Reserve.

A 27-ft. channel will follow the south shore of the river in a sweeping arc to beyond St. Helen's Island, where it will join the existing canals. A 58-ft. earth and rock embankment will fringe this channel to preserve south shore industrial sites and farmlands.

Further schemes envisage reclamation of flooded land on the south side, between St. Lambert and Boucherville. Face of the region will also be altered through improved winter ice conditions and elimination of the dangerous "St. Mary's current."

Montreal has always been a bottleneck in the 2,000-mile channel which connects the Great Lakes with the Atlantic Ocean. Situated on an island at the junction of the Ottawa and St. Lawrence rivers, it is 1,000 miles from the sea, but 372 miles closer to Liverpool than is New York.

Founded in 1642 by Maisonneuve, the metropolitan area today has a population of over 1.5 million. In 1842, a system of 8-ft. channels was built on the Canadian side of the St. Lawrence River, which was deepened to 14 ft. in 1905. First boom came to Montreal with the 1854 opening of rail links to Portland and Toronto, which enabled the city to supply both sides in the American Civil War. Transshipment of grain from the Prairies rapidly expanded the harbor.

Today, some fear is being expressed about the port's future. But the more forward-looking opinion is that Montreal's importance will grow, along with the traffic on the new Seaway route to which it will remain the gateway.

# Rough Time Ahead of Plan For Metropolitan Montreal

Quebec's—and Canada's—biggest metropolitan area may soon undergo major surgery.

If it happens, the operation will be performed internally, and Greater Montreal for awhile anyway will look just about the same as it does now. But later, as the overhaul of its inside workings goes on, a gradual face-lifting should take place.

All this may occur as a result of the Paquette Commission's long-awaited report, issued finally last month, which recommended a metropolitan form of government for Montreal and its surrounding, autonomous suburbs. It's much the same as Toronto's plan, which went into operation a year ago.

Right now, the scheme is getting a few blocks thrown at it, in the form of suburban opposition. This may be overcome if the City of Montreal—or the Provincial Government itself—decides to try pushing a bill through the present session of the Quebec Legislature to set up at least a skeleton area-wide authority this year.

One of the first things that happened after the Paquette report appeared was a mass meeting of suburban officials—perhaps the biggest ever held on Montreal Island. Some 200 mayors, aldermen or representatives of public bodies from 31 different suburbs were on hand in the town hall of Lachine, one of whose aldermen has been leading the drive to cement opposition against any form of centralized control.

This meeting decided that Premier Duplessis should be asked to defer any decision on the Paquette plan until all the various municipal councils had a chance to study it and voice an opinion.

The Lachine meeting was unofficial. Several important suburbs were not represented there, and many of those who were would probably not even be involved in the metro plan. But it indicates that some strong debate will be launched before anything is done.

### Province May Step In

Some authorities in Montreal believe the province itself may be the one to initiate action. While there's been no hint of this so far, Premier Duplessis has certainly been voicing more concern over municipal problems lately. Recently, for instance, he reportedly told the assembly that Montreal's traffic congestion was "despairingly acute," needed an immediate remedy. And traffic is perhaps the most important problem which metro could help solve, say its backers.

The metro plan would transfer control over basic inter-municipal services—such as major traffic arteries, sewers, water supply—to a new super-government. All the other municipal functions would still be handled by the individual cities and towns.

Basic aim is to get more coordination and teamwork in the job of providing more and better services for Montreal area's mushrooming growth. Plus, of course, a fair sharing of the cost.

What suburban opposition develops will be keyed to three things:

—Fear of higher taxes.

—Fear of being overwhelmed in any area-wide authority by the City of Montreal block of representatives.

—Municipal suspicion of any plan to take away control over any service.

If the plan goes through, this super-government will control inter-municipal services for a total population of nearly 1.4 million—close to one out of every three people living in the Province of Quebec. And estimates are that figure may be boosted to around two million by 1980.

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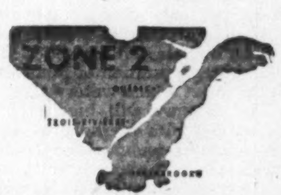

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# Quebec's Top Industry, Pulp and Paper Still Grows

## *Newsprint Mills Do Better Than Rated Capacity Again*

As the rugged and colorful "bucherons" head north into the Quebec bush each fall, they start another lap in the never-ending cycle which forms the province's greatest industry — pulp and paper.

Last year, this cycle generated production valued at something around a cool $525 millions. It meant jobs for 25,000 full-time mill workers and 175,000 part-time woods workers, a wage bill of $100 millions, a supply bill of $225 millions.

The 1954 tonnage was a new high. And its value was about equal to record 1951, when Korea-inspired fears of shortages had pushed pulp prices far above present levels.

Highlight from Quebec's point of view, was newsprint, which accounted for perhaps 65% of that $525 millions. But market pulp, fine papers, paperboard, etc. were all in strong demand, and at the year end prospects for 1955 were excellent.

In newsprint, one of the most significant developments last year for Quebec mills was the growth of demand outside North America, stemming from completion of postwar reconstruction programs, sounder dollar exchange positions and economic growth in undeveloped areas of the world.

The size of this surging overseas demand surprised nearly everyone. Most had figured on a fair-sized gain in sales — perhaps around 100,000 tons, maybe even less. Instead, shipments overseas rose by 200,000 tons, and might have been even higher if more paper had been available late in the year.

**World Purchases Climb**

Biggest factor in this increase was the United Kingdom. Larger U. K. purchases had already been authorized for 1954, but, as the dollar exchange account continued to fatten and publishers beat the drums for more Canadian newsprint, a deal calling for purchase of an extra 56,000 tons a year was approved. This was doubled in September by a second new contract. Net result was that Canadian shipments to Britain rose by 85,000 tons to 273,000. They had hit a postwar low of 20,000 in 1950.

Meantime, solidly booked Scandinavian newsprint mills found they couldn't meet the heavy demand in many of their usual export markets. In the fall, for instance, Argentina suddenly decided to authorize buying half its newsprint needs in dollar areas, a significant move clearly indicating the tight supply picture in non-dollar markets.

Thus Canada sold 42,000 tons more to continental Europe and the Balkans, a better than 10-fold gain; 28,000 more to Australia and New Zealand; 24,000 more to South America; 9,000 more to India and the Middle East.

The total gain of 202,000 tons overseas compared with an increase of 197,000 tons in the rated productive capacity of Canadian mills, much of it in Quebec. It couldn't have come at a better time, for shipments to the United States from Canada were showing their smallest increase of the postwar years — a mere 14,000 tons.

Of course, the U. S. still soaked up 81.7% of Canada's newsprint production, and the stability of U. S. demand was still the most important single factor. But that share compared with 84.8% in 1953, 89.4% in 1950.

**Boom May Continue**

Through early 1954, Quebec newsprint mills were operating fractionally under rated capacity — the average for all-Canada was 99.7% for the first half. But at mid-year the ratio climbed to above 100 and stayed there, finally bringing the year's average to an outstanding 101.1%.

It was the eighth consecutive year that newsprint mills had averaged better than rated capacity. And Quebec producers think the string may be extended to nine.

This year, Canadian rated capacity is up again — 145,000 tons higher than 1954 at a record 6,064,489. But overseas shipments may rise anywhere from 50,000 to 100,000 tons (the U. K. alone should be up over 60,000). And U. S. consumption promises to remain very good, with the chance of a substantial increase following the small 1950-54 gains. Canadian demand should also be strong.

In the U. S., a large amount of new capacity is on tap this year — 130,000 tons from the new Bowater's mill which started production in the late summer, and 77,000 from the first of two new Great Northern machines. This could affect Canadian sales to some extent, but not enough to rub the shine from the current outlook.

**Pulp Sales Up Too**

While newsprint is bright, the same goes for market pulp, second biggest dollar earner in the Quebec pulp and paper picture. Last year, pulp sales probably returned producers over $100 millions.

Here too, strength overseas was a key point in 1954. For one thing, it opened sales opportunities abroad for Quebec mills. But it also meant that Scandinavian pulp producers concentrated heavily on the more profitable markets closer to home, thus eased the competition for Canadian mills in the U. S.

Sales of European pulp below the border last year were likely down 35% or so from 1953, and would have been even lower if some of the Swedish and Finnish mills had not wished to hedge their longer-term position in the U. S. market by making at least small shipments and keeping their contracts. But Scandinavian sales are expected to drop further this year, as European markets continue stronger than ever.

Even more important for Quebec pulp sellers last year was the stability of U. S. paper and paperboard production in the face of the business recession. Paper output hit a new high, thus demand for imported pulp continued strong, especially for bleached grades.

By last fall, some Quebec mills had even received urgent pleas for pulp from Swedish and Finnish mills who had oversold and were unable to meet all their commitments. And by the first quarter of 1955, all Scandinavian prices had edged higher.

Canadian prices remained pretty well unchanged for nearly two years, at levels to which they plummeted in 1952 following collapse of the post-Korean buying rush. But the first quarter both unbleached kraft and unbleached sulphite (the so-called "weak sister" of the last two years) have been boosted by $5 a ton, reflecting strength of the current market.

**Textile Demand Rising**

One possible weak point in the Quebec pulp picture that could develop over the next few months is in high-grade dissolving pulp, nearly all of which is exported. Three new U. S. mills came into production last year, and should hit peak capacity by about mid-1955. This could, it is felt, create some temporary indigestion in the dissolving pulp market. On the other hand, textile demand is picking up, so production of synthetics made from dissolving pulp will be increasing.

Most of Quebec's pulp output (about 85%) is processed in the province — turned into newsprint, other papers, paperboard, etc. by the mills who make it. But over 700,000 tons are available for sale, including bleached and unbleached kraft and sulphite, and mechanical.

Last year in Canada, several industries went through a mild recession, with gross national product dipping by about 2%. But the paper industry felt hardly a tremor, and sections other than the great exporting arms — newsprint and pulp — all pushed higher, partially because each had experienced an inventory adjustment in 1952 and early 1953.

In fine papers, where Quebec accounts for about one third of total Canadian output, production recorded steady increases over year-ago figures for 16 consecutive months, through to July, 1954. Then a mild set-back was felt, due to a temporary lag in the printing business. But the increases got under way again in November, and Quebec output for the year was probably about 5%-6% higher than in 1953.

Paperboard demand continued strong, with Canadian output climbing fractionally to 740,000 tons. Wrapping paper rose by 3% to around 250,000 tons, and building papers and boards were up substantially.

**A Major Share**

All told there are over 60 mills making up Quebec's pulp and paper industry. Some make only pulp, some pulp and paper, some just paper or paper products. Wooded areas of the province — notably those of the St. Maurice, Saguenay, and Lake St. John districts — are irrigated by great rivers which do two things: float logs to the mills and provide the essential water power.

The mills usually cut about 65%-70% of their wood needs on their own leased timber limits. The rest comes from small woodlot owners, farmers, etc.

By the end of 1953, Quebec mills were able to grind up logs into mechanical pulp at the staggering rate of over 9,700 tons a day, just over half the Canadian total. Their chemical pulping capacity amounted to around 4,770 tons a day, or just over one third of the nation's total.

That illustrates the primary place of newsprint — made chiefly with mechanical pulp — in Quebec.

In the last eight years, newsprint capacity in Quebec has grown by around 27% — an average gain of some 80,000 tons annually. But other pulp and paper products have been climbing just as rapidly, though newsprint today still absorbs about as much of the pulp turned out in the province (close to 70%) as in 1946.

Expansion has slowed down a little over the past year or so. But there are still some big projects under way, others on the planning boards.

Largest current program in Quebec is being launched this year by Canadian International Paper Co.

C.I.P., already the most diversified wood products producer in Eastern Canada, last December bought the La Tuque kraft pulp mill and timberlands of Brown Corp., subsidiary of New Hampshire's Brown Co. This put C.I.P. into the kraft business for the first time, and a new $15 million expansion program has since been announced for La Tuque.

To be completed by 1956, this will feature a large increase in pulping capacity, plus installation of the world's biggest paperboard machine. C.I.P. will continue selling bleached kraft pulp on the market, using the new digesters to provide raw materials for its board machine. This machine will have an ultimate capacity of 1,000 tons a day.

Meantime, C.I.P. will continue boosting its huge newsprint capacity through machine improvements. By 1956, it will hit 920,000 tons, against 1954's 845,000 and the original designed capacity of 570,000.

Several other Quebec newsprint producers are also steadily raising capacity of their existing machines.

Consolidated Paper Corp., for instance, can now turn out over 740,000 tons annually — up 8% over the past five years — and expects to increase this even further. Donohue Bros. Ltd., one of the smaller producers, finished a machine speed-up program in 1954, which hiked capacity to 70,000 tons a year from the previous 63,000.

Other expansion schemes in the province:

—Canada Paper Co., wholly owned subsidiary of Howard Smith Paper Mills, this year will complete a $5 million program at Windsor Mills, including installation of a third paper machine, a new steam plant and an addition to the converting plant.

—E. B. Eddy Co. last year put a new $4.5 million tissue paper machine into operation at its Hull plant.

—St. Lawrence Corp. in 1954 finished up a $6.9 million pro-

(Continued on page 42)

### *The Industry's Record*

***Quebec's greatest industry — pulp and paper — scored new levels of production last year. Key factors in the rise were increased demands in overseas markets for newsprint and pulp. But other products also had a good year. These production figures tell the prosperity story:***

| | 1954 | 1953 |
|---|---|---|
| | tons | |
| Newsprint | 3,050,000 | 2,964,000 |
| All pulp | 4,340,000 | 4,175,000 |
| Book and writing papers | 81,000 | 76,000 |
| Paperboard | 286,000 | 285,000 |
| Wrapping | 142,000 | 138,000 |
| Tissue paper | 29,000 | 27,000 |
| Other paper | 66,000 | 54,000 |

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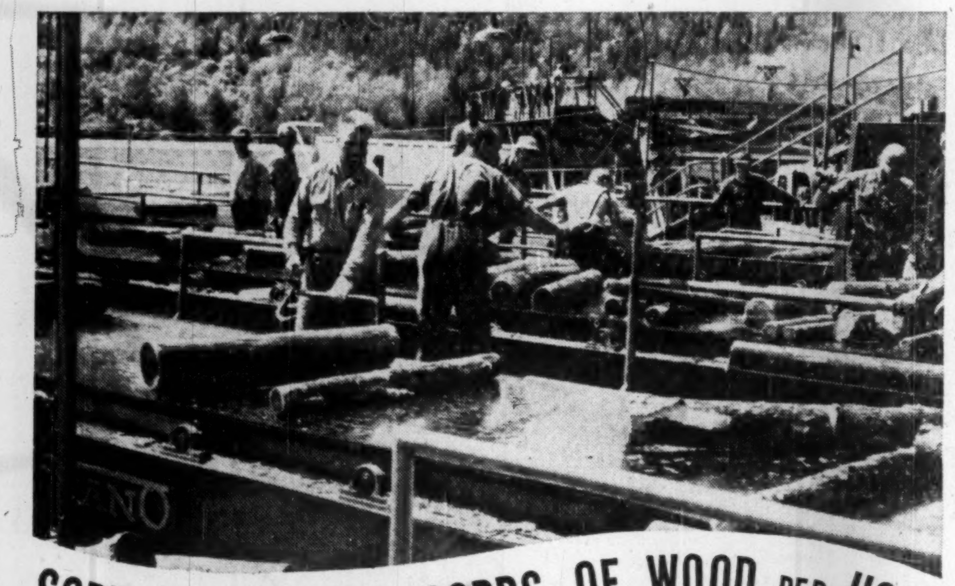

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During the spring and early summer months of the year, the St. Maurice river presents a scene of tremendous activity. Several major paper companies, who have their woodland operations located in this northern Quebec area, are completely dependent on this picturesque river for the transportation of millions of logs to their various Pulp and Paper Mills. This of course presents a sizable problem and means that somewhere in the course of their journey, these same logs have to be sorted as to ownership.

Today at the Brown Corporation's Mill near LaTuque, Que., may be seen one of the most imposing Log Sorting installations on this continent. It is at this point that the logs are removed from the river, sorted as to ownership with Brown Corporation's wood being removed for processing, and the remaining logs are returned to the river to resume their journey downstream.

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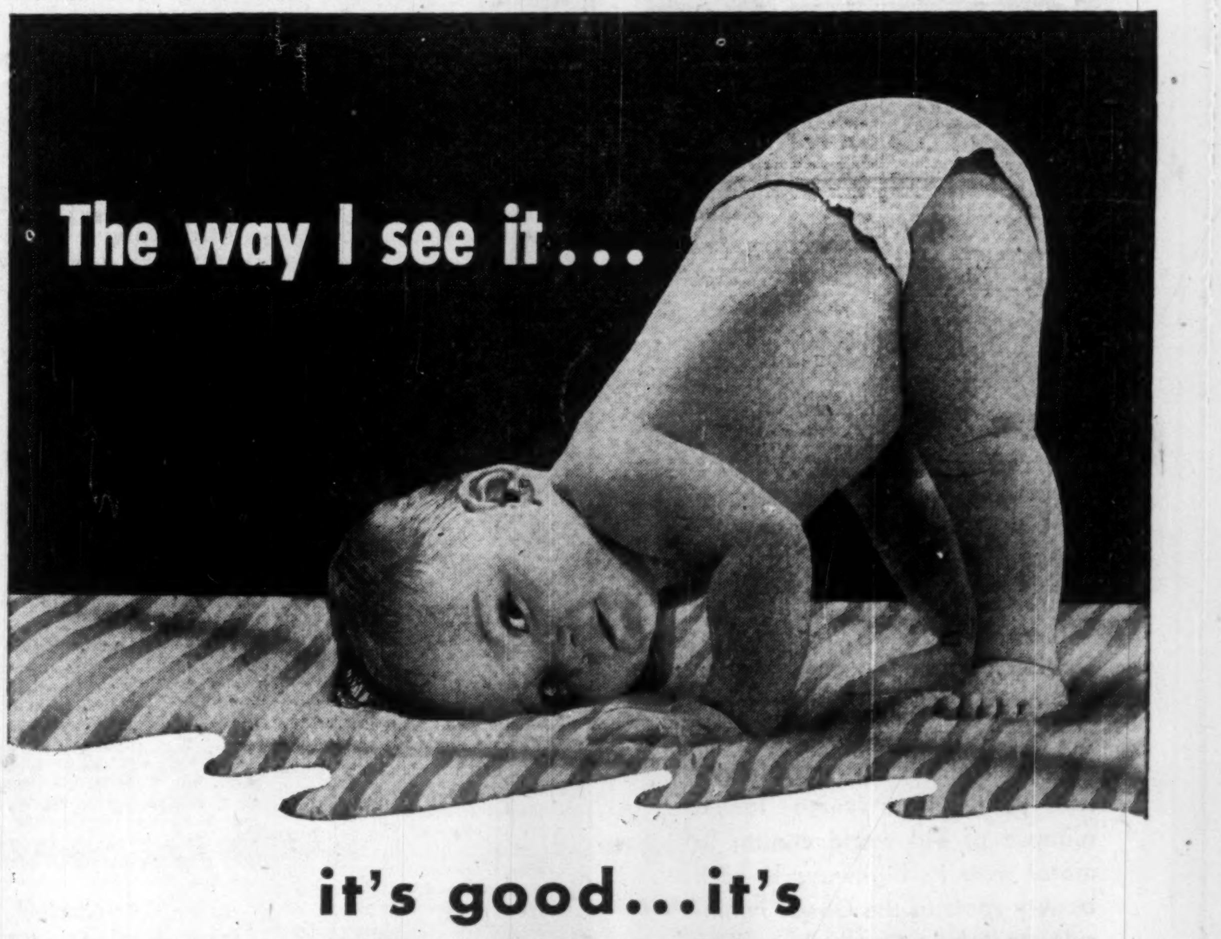
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# The Textile Giant Looks Upward

## *Quebec's Second Biggest Industry Is Making Its Comeback*

Looking back it now appears that Quebec textile mills may have hit bottom in April or May, 1954, and bounced up.

Since those dark months, business volume in nearly all lines of Quebec's second biggest industry has improved, and producers expect 1955 to be a brighter year, with both employment and earnings higher. The flood of U. S. textiles into the Canadian market seems to have eased. But there's still one big storm cloud on the horizon—the possibility of much tougher competition from low-wage Japan.

The U. S. was main bugbear for Quebec mills in the bad business slump which started in mid-1951. Unloading of mass-production cotton and synthetic textiles here drove Canadian prices lower and lower until little or no profit was left. Output dropped, employment at the primary level in Quebec tumbled to about 40,000 from 52,000 in 1950.

But for several months now the position has been better. In the U. S. some prices have firmed, mergers have been strengthening the industry, and some of the excess capacity has been drained off by closings. More U. S. production has been saleable at home, thus cutting the need for unloading stocks in Canada.

This, coupled with drastic pricing policies of Canadian mills, has improved the volume for Quebec producers. Several are now understood to be working at or near capacity again. Employment has edged up to around 41,000, and should go higher. Prices are still pared right to the bone, but there has been the odd small increase and all are certain to rise if the improvement continues.

### The Japanese Puzzle

Unfortunately, that's still a big "if," because of the Japanese question-mark.

Canada signed a new trade agreement with the big Far Eastern textile producer, effective last June. For some reason Japan has so far made no concentrated drive to hit the Canadian market in really large volume. Here are possible reasons for the delay:

—She may be holding off until after the crucial GATT negotiations are completed.

—She has a prewar reputation as a cut-price producer to live down, thus may not want to risk jeopardizing her long-term future in the Canadian market by jumping in too fast with too much. There's also a provision in the new trade agreement which provides special protection for Canada from unfair competition, and Japan may not want to risk invoking that clause.

If and when Japan does begin a real selling drive here, the competition will be mainly in staple lines—high-style goods should not be affected much. But staples are the bread and butter of many Quebec mills, and they could be hit hard.

Thus, while Quebec producers may currently be enjoying better business weather, all are taking time out for a close look at longer-term prospects.

Here's why their welfare is so important to Quebec:

—Their mills generally account for about 52% of the labor force employed by all Canadian textile mills, and form the biggest single industrial labor market in the province. Value of their production—$416 millions in 1952, latest figure available—is about half the national total.

—The famed "textile towns," from which the bulk of the primary output comes, extend from Valleyfield in the extreme west of the province to Montmagny, east of Quebec City. They include Sherbrooke (regarded as the birthplace of the industry), Drummondville, St. Hyacinthe, Magog, Granby, etc. In these and smaller centres textile plants provide most of the employment. Despite the sudden danger of recession, the mills provide a high average of steady, fairly light work, under good conditions at wages among the highest in the world.

### The Worst Over?

Since 1952, in Quebec, an estimated 11 primary textile mills have closed their doors — some because of poor management but most because they could not survive intense U. S. competition. But that, plus even the steady drop in employment shown through to mid-1954, doesn't tell the whole story of the rough period the industry has gone through.

Many of the mills managed—by cutting prices drastically—to get a fair volume of business. Thus their employment, while cut back to some extent, stayed at fairly high levels.

But the cold figures of financial statements record the tale. In virtually every case earnings plunged sharply. Some of the biggest firms have been running in the red for two years or more.

Several times after the slump began three and a half years ago, it seemed things were finally getting back on an even keel. But only now does it appear the worst may be over.

Here's the picture, section by section:

**Production** — Quebec mills account for about 65% of the cotton cloth manufactured in Canada. That means they turned out probably about 149 million yards last year, down 13% from 170 millions in 1953 and 30% from 210 millions in 1950.

The drop last year was concentrated in the first six months, when production was off 21% from the same period of a year earlier and fabric prices continued to sag. But during the third and fourth quarters volume picked up, and mills ended the year with fairly fat order books and hopes that prices might soon begin to firm.

**Synthetics**—In the synthetics branch of the industry, where Quebec's share of the national total amounts to a big 70%, the picture has been much the same. The year started slowly, and by the end of the first half woven fabric shipments were lagging seven million yards behind the same period of 1953. Prices had been pared a little finer and most fabrics were being sold at a loss.

But an upswing got under way at mid-year, and has continued to date. Mill inventories are in much better shape and producers are confident 1955 will be a better year.

**Wool Cloth, Knit Goods** — In woolen cloth and knit goods, Quebec posts about 25% and 40%, respectively, of total Canadian output. And here too, producers report brighter prospects.

Here, of course, the big competition is not from the U.S. but from the United Kingdom, and 1954 was a tough year all-round. Output of wool cloth in the first half dipped 28% below the same period of 1953, worsted yarn 33%. But increased business was reported in the final six months.

### Tariffs Complaint

While the over-all outlook is therefore a little brighter, Quebec textile mills are still far from satisfied with their position in the economy of a young, rapidly growing nation. With the possible exception of the synthetics branch, they feel their industry is standing still when it should be growing, and they charge this up to a hard-boiled federal government policy on tariffs.

Says President C. F. Woodward of the Primary Textiles Institute: "There is a strong temptation to become frustrated in wondering to what extent this now obvious weakness in the Canadian economy is appreciated at the policy-making level, of the Canadian Government.

"Certainly public statements of responsible officials and the enthusiasm with which Canada has made extensive tariff concessions to other countries within the framework of GATT do not indicate widespread recognition of the seriousness of the situation facing not only the textile industry but a large number of other domestic manufacturing industries as well."

Ottawa did amend the Customs Act last year, providing some safeguard against extreme cases of distress import prices on finished goods of a highly seasonal type. And it is now considering whether or not to boost the maximum 50c per lb. duty on wool cloth, a measure which would help a section of the industry where 26 out of 93 establishments have closed since 1951.

But other than that, it has shown little inclination to curb imports. This has been due largely, of course, to the fact that Canada is a trading nation, and the Government does its best to encourage widespread reductions in world tariff barriers so that our great exporting industries can sell abroad. Unless we allow imports into Canada, the argument goes, and show that we are willing to keep our tariffs at a reasonable level, we cannot expect much co-operation in developing a freer flow of trade.

### Inefficiency Denied

But there have also been indications that some officials feel the Canadian industry's ills spring partially from over-expansion and inefficiency. To the second of these charges, the industry retorts that any really inefficient producers would have been eliminated by the fierce competition of the past few years.

It also denies the first, pointing, for instance, to the cottons industry, where only one million spindles are in place today, against 1.2 millions in 1938 And the modern spindle is only 3% more productive than its older counterpart.

Capital outlays in the Quebec textile industry have naturally had to be trimmed a bit during the business recession. Last year in the cottons end, for instance, expenditures on modernization and technical improvement were estimated at only $9 millions, against $12.1 millions in 1953. But there is still some expansion in the province, along with trends toward new products, wider variety and, of course, greater efficiency.

### Finer Materials, New Colors

Let's look at a few of the things that have been happening:

Finer types of woolen and worsted materials are now being manufactured in Quebec, with a wider variety of colors and styles. Paton Manufacturing and St. Johns Textiles are regarded as good examples of this move.

Brand-new textile products are introduced to Quebec factories every year. During 1954, for example, Zephyr Textiles Ltd. started making coarse denier viscose yarns for the new and promising viscose carpet trade. Zephyr completed a $500,000 addition at its Ormstown plant last summer, designed for exclusive production of carpet yarns, and is considering further expansion.

At Granby, Peeters Textile Mills Ltd. now is turning out that all-viscose carpeting for the first time in Canada. Main selling points: strength, washability, crush and fade-resistance. Peeters is completing installation of $175,000 worth of additional machinery and equipment, and expects to be turning out the new product at a rate of 500,000 yards annually by fall.

Production of the new saran yarn was started in Quebec for the first time last year by Richmond Plastics Ltd. Saran is one of the newer synthetic fibres, formerly imported from the U. S., and capacity of the new plant at Richmond is designed to meet current demand. Saran powder is supplied by Dow Chemical. The finished product goes into curtains, upholstery fabrics, screening, filter cloth, handbag fabrics and outdoor furniture coverings.

At Drummondville, Canadian Celanese Ltd. is experimenting with trilan, also called arnel, newest of the new synthetic fibres. Experimental lots have been produced, and the company—largest synthetic fabric producer in Canada—expects to have it available commercially this year. Trilan is strong, washable, resilient, and is expected to give other fibres a tough battle. It is priced above acetate and viscose, well below nylon and terylene.

### Better Production Drive

New products are thus playing an important role in strengthening Quebec's textile industry. Even more important in today's killing competitive conditions: the drive for efficiency, and production which exactly suits tastes of cutting-up trades and buying public.

Thus Bruck Mills Ltd. has installed new machinery and equipment for better-quality production at lower cost. New embossing machinery is included, to serve increasing Canadian demand for embossed nylon, rayon and cotton fabric. Bruck has also developed a flocking machine, is doing design flocking for the dress trade.

At St. Hyacinthe, Consolidated Textile Mills Ltd. by mid-February will have completed installation of $225,000 worth of new equipment, including 72 new looms. This is designed to meet increasing demand for wider fabrics (60 in. wide, compared with the usual 44-55 in.). Consolidated says these can be produced for proportionately less than the narrow types, thus some savings can be passed along to the cutting-up trade. Another advantage: very little import competition.

Dominion Textile Co—giant of this country's cotton goods industry—has opened a "high-style" division to cultivate a market it has gone into only on a limited scale in the past. Its modernization-improvement program continues every year.

And besides the new products and the steady drive for lower costs and more efficient production, a few expansion programs in old lines are also under way.

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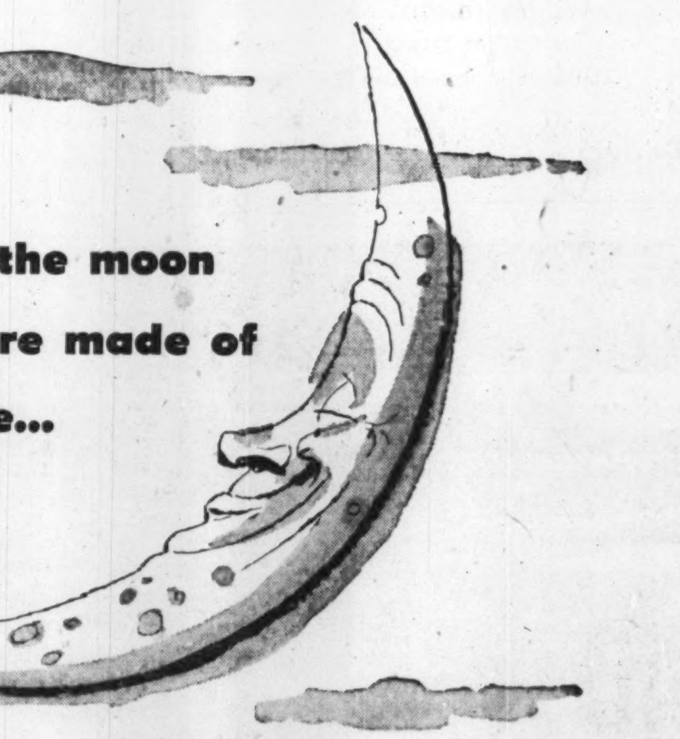

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Out of the chemist's test tubes has come a $250 millions a year contribution to Quebec's industrial well being.

Second only to Ontario in volume and value of products turned out, the province's 240 chemical plants today represent almost every segment of chemical manufacturing. Some 15,000 are employed by these plants to produce about one third of Canada's total chemical output.

Quebec's Montreal East area has become one of the continent's major petro-chemical centres with four large gasoline refineries now making available waste gases for processing by Union Carbide & Carbon Corp., B.A. Shawinigan Ltd. and Shell Oil Co. of Canada. Quebec chemical products also include acids, rubber, fertilizers, pesticides, alkalizers, salt as well as numerous other basic substances.

The industry received another boost this year with announcement of construction of two new plants at Valleyfield, some 35 miles from Montreal A new $6 million chemical plant for first Canadian production of synthetic fluid cracking catalysts for the petroleum industry will get under way immediately. Davison Chemical Co.—wholly owned subsidiary of Davison Chemical Co., division of W. R. Grace & Co. (U. S.)—will construct the new catalyst plant. Formerly all petroleum catalysts were imported from U. S.

National Silicates Ltd. will also put up a plant in Valleyfield, adjacent to the new Davison Chemical plant. Bulk of the plant's output of sodium silicate will go to supply the new catalyst plant.

Montreal is Canada's pharmaceutical and medicinal remedies centre, with more than 100 manufacturers turning out a wide variety of drugs, vitamins, hormones and various patent medicines. This production leads the province's chemical industry in terms of dollar value.

Canadian Industries (1954) Ltd. has four plants in Quebec province, located at Brownsburg, Beloeil, Montreal and Shawinigan Falls. These production facilities turn out fertilizers, sporting ammunition, commercial explosives, paint, varnishes and various industrial chemicals.

During 1954, the company completed and officially opened a new $600,000 wing to its central research laboratory at McMasterville. With a staff of more than 100, this is now one of the largest and best equipped industrial research operations in Canada.

Designed to carry out research requiring special techniques, the lab is also concerned with the search for new products, processes and serves all divisions of the company.

### Bigger Sales In 1955

At the company's chemical department at Shawinigan Falls, productive capacities were operated at full capacity during 1954 to turn out liquid chlorine, caustic soda, anhydrous hydrogen chloride, trichlorethylene, perchlorethylene, chloroform and hydrogen peroxide.

Company officials state that conditions of trade were satisfactory during 1954 and while sales of industrial chemicals to the textile industry were small relative to other years, nearly all other industries increased their consumption. They say that effect of sales of European imports was not significant. For 1955, they predict substantially greater sales and continued growth and demand.

During the year new equipment was installed at Shawinigan Falls to increase output of chlorine and caustic soda by about 15% and a new machine for making perchlorethylene also came into production.

Modernization of C.I.L.'s Beloeil works, the largest commercial explosives plant in Canada, was continued in 1954 with installation of a new $500,000 power plant. Production of "Nitrone" was higher than in 1953 and facilities will be further expanded this year to permit a larger volume of this blasting agent. Also during the year, a new process to make homogeneous granular fertilizer was introduced at the Montreal East and Beloeil plants in harmony with the trend toward granular fertilizers which have superior storage and handling qualities.

Production of sporting ammunition at the Brownsburg works continued at a high level during the year as game conditions were good throughout most of Canada—especially the duck hunting season in the West. Production of C.I.L. paint and varnishes at the Montreal works during 1954 equalled that of 1953 when the highest production record in the plant's history was reached.

### The Du Pont Share

After the recent segregation of properties owned by Canadian Industries Limited into two new companies—C.I.L. (1954) Ltd. and Du Pont Co. of Canada, the latter now only operates one plant in Quebec Province, at Shawinigan Falls. Employing 650 the factory produces polythene packaging film, cellulose film and cellulose sponges.

Company officials state that domestic and foreign demand for these products continued to increase during 1954, being reflected in a considerable increase in production. One new line introduced was wet packaged sponges in polythene for general uses and as dishcloths.

In 1954 operation at the Montreal chemical plant of Shell Oil Co. of Canada "has been very gratifying," according to a company official.

He told The Post that in the latter months of the year, throughput satisfactorily attained full desired capacity. New processes have been developed resulting in lower manufacturing costs and new markets have been established for the plant's products, acetone and isopropyl alcohol.

Two refinery expansions will soon be under way at Montreal East: Shell Oil is putting into operation a $4 million growth program due for completion late this year to increase its refining capacity from 44,000 to 55,000 barrels of crude oil per day. British American Oil Co. is building a $3 million addition to its refinery to increase the quality of its products. Its plant is designed to produce 30,000 bbls. a day.

The main chemical manufacturing facilities of Dominion Tar & Chemical Co. in Quebec changed hands during 1954. The $12 million petrochemical plant in Montreal East for the production of ethylene glycol and ethylene oxide was sold to Union Carbide & Carbon Corp. It is understood that the new company plans to make polyethylene at the plant in 1957 when patents controlled by Imperial Chemical Industries of England expire.

Dominion Tar also sold its chlorine and caustic soda manufacturing plant at Beauharnois to Columbia Southern Chemical Corp. This plant was recently expanded to allow a 30% production increase.

Operations at the Montreal East plant of B.A. Shawinigan Ltd. continued at a high rate during the year. Market for the unit's products—phenol and acetone—continued to grow during 1954 and considerable progress was made in eliminating production bottlenecks, which had to be expected in the opening of the new plant.

So far, B.A. Shawinigan has concentrated in supplying Canadian demand but company officials hint that active interest is now being taken in the export market and with production problems conquered, they expect 1955 to be an exceptional year.

### Sulphuric Acid Boost

At the Valleyfield plant of the Nichols Chemical Co. production is continuing satisfactorily. This company completed a $2.5 million expansion program to boost its output of sulphuric acid by about 50% to 150,000 tons a year.

The Electric Reduction Co. of Canada phosphorus plant at Varennes, which came into initial production in late 1953, has now been completed including facilities for handling both raw materials and the finished product. Company officials state the first year's operations have been completely satisfactory. At the company's Buckingham site a new plant for production of sodium hexametaphosphate has just been completed.

This new material will be marketed under the trade name "Ercophos" and is mainly used for softening water, dispersing paper coating clays and making dishwashing compound. Capacity of the plant is sufficient to supply full requirements of the Canadian market. Company officials state that the firm's domestic and export sales have substantially increased during 1954 and that prospects for 1955 are excellent.

Monsanto Canada Ltd. continued its expansion during 1954. This company—a subsidiary of Monsanto Chemical Co. was organized in 1932 to serve as a Canadian sales outlet and started manufacturing in 1946.

Nineteen fifty-four was the first year of complete operation of the company's oil additives plant—the first such factory in Canada. Some new resins were developed for hardwood chip board manufacturing and an export department was set up to distribute the company's products throughout the world.

Company officials report that during the year there were heavy activities in plastics, particularly in Hi-Flow 55 and Hi-Test 88. Also, manufacturing facilities for Mersize fine paper size used by the pulp and paper industry were developed.

St. Maurice Chemicals Ltd., which first went into operation in 1953 for the manufacture of formaldehyde and pentaerythritol at a new plant at Varennes, reports significant progress during 1954. Plant facilities were expanded by the completion of a unit for the manufacture of monopentaerythritol.

The company, which is owned jointly by Shawinigan Chemicals Ltd. and Heyden Chemical Corp. New York, has an annual capacity of 30,000,000 lb. of formaldehyde. During 1954, the plant operated at full capacity.

### New St. Therese Plant

Most important news at Canadian Resins & Chemicals Ltd. in 1954 was the company's entry into the Vinyl plastic film converting field. The company extended its operations in this direction with construction of a printing and embossing plant at St. Therese, opened in July.

CRC also continued its activities in the paint field. Research on polyvinyl acetate emulsions in past years has now resulted in their commercial use as a base for sealers and paints. Extensive commercial production of this material is being contemplated.

During the year, Canadian Resins & Chemicals carried out an intensive educational and merchandising program dealing with the gauge marking of consumer merchandise made of "Vinylite" film. It was the first scheme of its kind to be developed by a Vinyl film producer in Canada or the U. S.

The 1954 sales of Shawinigan Chemicals Ltd., a wholly owned subsidiary of Shawinigan Water & Power Co., approximated the total of the previous year. The last quarter of the year went far toward offsetting a reduced volume of sales during the first three quarters.

While currency restrictions in many foreign markets continued to hamper export, the greater part of the company's decrease in total sales value during the first nine months of the year was due to the depressed prices of stainless steel and alloys. Company officials described the prospect for 1955 as much brighter.

In the U.S., Shawinigan's wholly owned subsidiary, Shawinigan Products Corp., New York, which handles sales for the parent company and maintains laboratories as well as having its own interest in other U.S. enterprises, reported an excellent year.

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| Drugs | 39,532,000 | 69% | 17,938,000 | 31% |
| Automotive | 261,202,000 | 53% | 229,582,000 | 47% |
| General Merchandise | 221,899,000 | 55% | 183,111,000 | 45% |

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# Here's a Power Problem But It's One of Abundance

## What Comes After Bersimis —Lachine Or First Falls?

Quebec's big and vital electric power industry posted another production record in 1954—34.8 billion kilowatt hours—up about 3% from 1953. And this year it seems headed for another new high.

But while producers were busy filling the steadily growing appetite for electricity, they were also taking a close look at several important questions. Among them:

—when will the 1.2 million hp potential of Montreal's Lachine Rapids be harnessed?

Since the St. Lawrence Seaway was given the go-ahead last year, this has become a number one question mark, still unsolved. Here is what's involved:

Under the Seaway plan of 1948, a joint navigation-power project was proposed for Montreal area, to harness the 1.2 million hp potential of Lachine Rapids. Cost, which would now be a hefty $400 millions, was to be shared by Ottawa and Quebec Hydro-Electric Commission.

But, in 1952, Quebec Hydro decided to build its giant Bersimis plant, also with a capacity of 1.2 million hp. Hydro felt that construction of a major new power source had to be started at that time, and there was still no firm word on the Seaway. It also felt —or at least is sure now—that cost of Bersimis power even in Montreal will be "considerably lower" than Lachine could provide under the joint project.

Bersimis No. 1 will handle expected demand increases through to 1962 or perhaps a little later. It has therefore removed the urgency of making a start at Lachine merely to serve markets over the next 8-10 years.

### Sites Problem

Since the Seaway was given the green light, Hydro has been faced with a problem, which must be decided soon: to go in with Ottawa on the 1948 joint plan or have Ottawa move ahead on its alternate scheme for navigation alone. And since at least three other sites are available to Hydro, the problem is a complex one.

Why is this so important? First, of course, because of the size of the Lachine potential. Second, because this 1.2 million hp, according to Dr. Huet Massue of Shawinigan Water & Power Co., constitutes about 50% of the remaining economic power potential available in central Quebec. It's going to be needed—some day if not right now.

Third, and perhaps most important: some experts fear that Ottawa's alternate scheme for navigation alone might well make eventual harnessing of Lachine uneconomical. If this is true, an Ottawa-Quebec battle may lie ahead. For while the Federal Government has exclusive jurisdiction over Canada's waterways, Quebec owns the St. Lawrence riverbed in Quebec Province.

No Quebec decision is expected until its Hydro Commission completes an exhaustive study, started last summer.

It is examining each of the variout sites available for expansion, in addition to an alternate plan for Lachine which would enable separate development.

Hydro has hinted that First Falls, 18 miles below its new plant on the Bersimis, might get the nod over Lachine. It has a potential of 500,000 hp and, states Commissioner Rene Dupuis: "Regulation of the river has already been made, access roads are practically ready, a complete, efficient organization is available, servitudes, rights-of-way, design for transmission lines are in our hands. What else is needed to create more favorable conditions to complete the development of the Bersimis River before tackling another big enterprise?"

Beauharnois, near Montreal, is another possible. It has room for a No. 3 plant with an installation of 700,000 hp. But the commission has not appeared very eager to move ahead with this for awhile. Because a No. 3 plant (the first two have a combined capacity of 1.4 million hp) would add only about 250,000 hp of "firm, dependable energy," it's estimated.

Some generators would be installed as spares, some would run only when there was water over and above the minimum flows, some only by depriving the Commission's lower-head Cedars plant of its water supply.

Still another site is Carillon, also near Montreal, with a 250,000 hp potential. But Hydro engineers have indicated Carillon should be developed as a peak plant, to be used in the future in conjunction with Beauharnois and Lachine, both of which will be "run-of-the-river" plants.

### Immediate Choice

Thus it boils down to an immediate choice between Bersimis No. 2 and Lachine.

The Seaway navigation-power plan of 1948 envisaged a power plant and dam 3,000 ft. below Victoria Bridge, with long, high dykes stretching back from it on either side to contain the water.

Quebec Hydro now is working on another idea. This would involve two powerhouses—a big one well above the Victoria bridge at Heron Island, a smaller one farther down. This plan would be tied only very loosely with navigation. And, while Hydro admits that two powerhouses cost more than one of equal total capacity, it feels the cost savings through not having to build and maintain the dykes of the combined plan might make it more economical.

Nobody knows yet whether Hydro will decide in favor of this new independent scheme. Its studies are still under way; there is still a chance that a cost split on the 1948 plan might be negotiated with Ottawa which would make joint navigation-power very attractive from Hydro's point of view.

But if it does, then the Commission will likely shelve Lachine for the time being, and pick Bersimis No. 2 as its next big job.

To talk casually of adding another 1.2 million hp of hydro capacity would be strange in most places. But not in Quebec, where over the last 20 years power producers have been harnessing rivers at the remarkable average speed of 210,000 hp annually. That means 1.2 million hp is only about enough for six years' growth in demand.

Today, Quebec's installed capacity amounts to 7,774,000 hp, nearly 46% of the Canadian total. Here's how it has grown:

| Year | Capacity (hp) |
|---|---|
| 1900 | 89,000 |
| 1910 | 335,000 |
| 1920 | 955,000 |
| 1930 | 2,718,000 |
| 1940 | 4,321,000 |
| 1950 | 6,372,000 |
| 1955 | 7,774,000 |

### Still It Grows

By the end of this year, another 255,600 hp will have been added. And by 1962, when Bersimis No. 1 is completed, a further 1.2 million will be on tap.

The 1955 additions will come from three different producers:

—Shawinigan Water & Power Co., biggest private power producer in Quebec, will add 158,000 hp on the Upper St. Maurice River. One new unit each at existing generating stations at Trenche Rapids, Rapide Blanc and La Tuque will come into operation progressively during the fall, raising Shawinigan's total capacity on the St. Maurice to some 1.7 million hp.

—Northern Quebec Power Co. is adding a 35,000 hp unit on the Quinze River, bringing its plant to a full potential capacity of 125,000 hp.

—Gatineau Power Co. is finishing up a 46,000 hp unit at Paugan Falls, on the Gatineau. This company has a present capacity of some 768,000 hp.

—Quebec Hydro is adding another 16,000 hp at Rapide 11 on the Upper Ottawa. Hydro's capacity now amounts to some 1.8 million hp.

These additions will push Quebec's total generating capacity over the 8 million hp mark, to a figure 48% above the end of the war.

Thus, a second major question: Will the demand swell, which has created a need for this huge hydro expansion, continue?

The 1945-55 annual average capacity gain in Quebec has totaled close to 260,000 hp, or considerably above the average for the last 20 years. But some 20% of the total increase has resulted from raising primary aluminum production in Quebec, and the centre of Alcan's expansion has shifted to British Columbia.

A fair-sized slice has also stemmed from pulp and paper expansion, which has slackened off somewhat. Building of big chemical plants — often large power consumers — has also slowed down.

Meantime, following the large hydro additions made in recent years, there is evidence that more reserve capacity is becoming available now in Quebec for use in producing secondary power. In 1954, for instance, Gatineau Power completed arrangements with Canadian International Paper Co. for sale of off-peak power for steam-raising purposes, and C.I.P. is installing two 20,000-kw. electric boilers.

These factors indicate to some experts that demand increases from now on in Quebec may not match the big gains of the earlier postwar years.

But they will still be very large: development of rich natural resources will continue, manufacturing plants will be mushrooming up along St. Lawrence lowlands, rural electrification still has a long way to go, new stores, offices, warehouses will be built, population will grow. Thus the 210,000 hp average of the last 20 years may be maintained.

Quebec's commercial hydro potential is estimated at 27.3 million hp. And less than one third —8 million hp—of that will have been harnessed by the end of this year.

Nearly all of this potential— some 98% — lies on the north shore. The mighty St. Lawrence has already been developed to the tune of 1.7 million hp, but can provide an additional 1.4 million. The St. Maurice, whose natural potential of 650,000 hp has been boosted to 2.5 million by man-made reservoirs, still has some 900,000 hp to go before full development is reached. The Ottawa now provides 1.3 million but could handle 2.6 million.

### 1954 Addition Modest

While much was under construction, new capacity added in 1954 amounted to only a modest (for Quebec) 54,700 hp. This was one of the smallest figures of the postwar period.

It included two 16,000 hp units, completed by Quebec Hydro at Rapide 11 on the upper Ottawa; two 8,500 hp units, finished by Ste. Marguerite Power Co. and now delivering electricity to Seven Islands, bustling southern terminus of new Iron Ore Co. of Canada railway; one 2,250 hp plant on Chaudiere River, owned by City of Megantic; and two 600 hp units built by Quebec Rural Electrification Bureau on Petites Bergonnes River.

Construction progress in 1954 on the Bersimis included clearing of the site, road-building, erection of camps, installation of a temporary powerhouse, establishment of a dock at Forestville, beginning of excavation work on the permanent powerhouse and the 7½-mile tunnel to bring water from a dam 200 ft. high on Lac Casse.

Now, Quebec Hydro reports, the tunnel excavation is over three quarters done, concrete work has been started in the roof of the powerhouse and part of the tunnel, the dams are at the stage where they can start accumulating water. Labrieville—the permanent town—is all but complete, with 117 houses occupied. And the Labrieville-Charlevoix transmission line is advancing rapidly.

All work is on schedule with the first two 150,000 hp units expected to start about the end of 1956. Third will be completed in 1957, another in 1958, and the remaining four in 1961.

### Bersimis Job Was Tricky

Besides being the largest hydro job under way in Quebec, Bersimis in 1954 generated one of the trickiest engineering projects handled in Canada for some years.

This was the biggest task of its kind ever attempted: laying a 31½-mile high-voltage cable on the St. Lawrence river bed to bring power to Gaspé Peninsula, initially from Manicouagan Power Co. but later from the giant Bersimis plant.

Last summer, the British cable-layer H.M.T.S. Monarch arrived at Rimouski, where 3,300 tons of cable, especially made by Canada Wire & Cable Co., had been assembled. The Monarch's course had been laid out carefully by radar soundings, and over the following few weeks it laid four separate lines, 4,000 ft. apart, across the river.

Each line laid by the Monarch was 26 miles long, and was then

(Continued on page 39)

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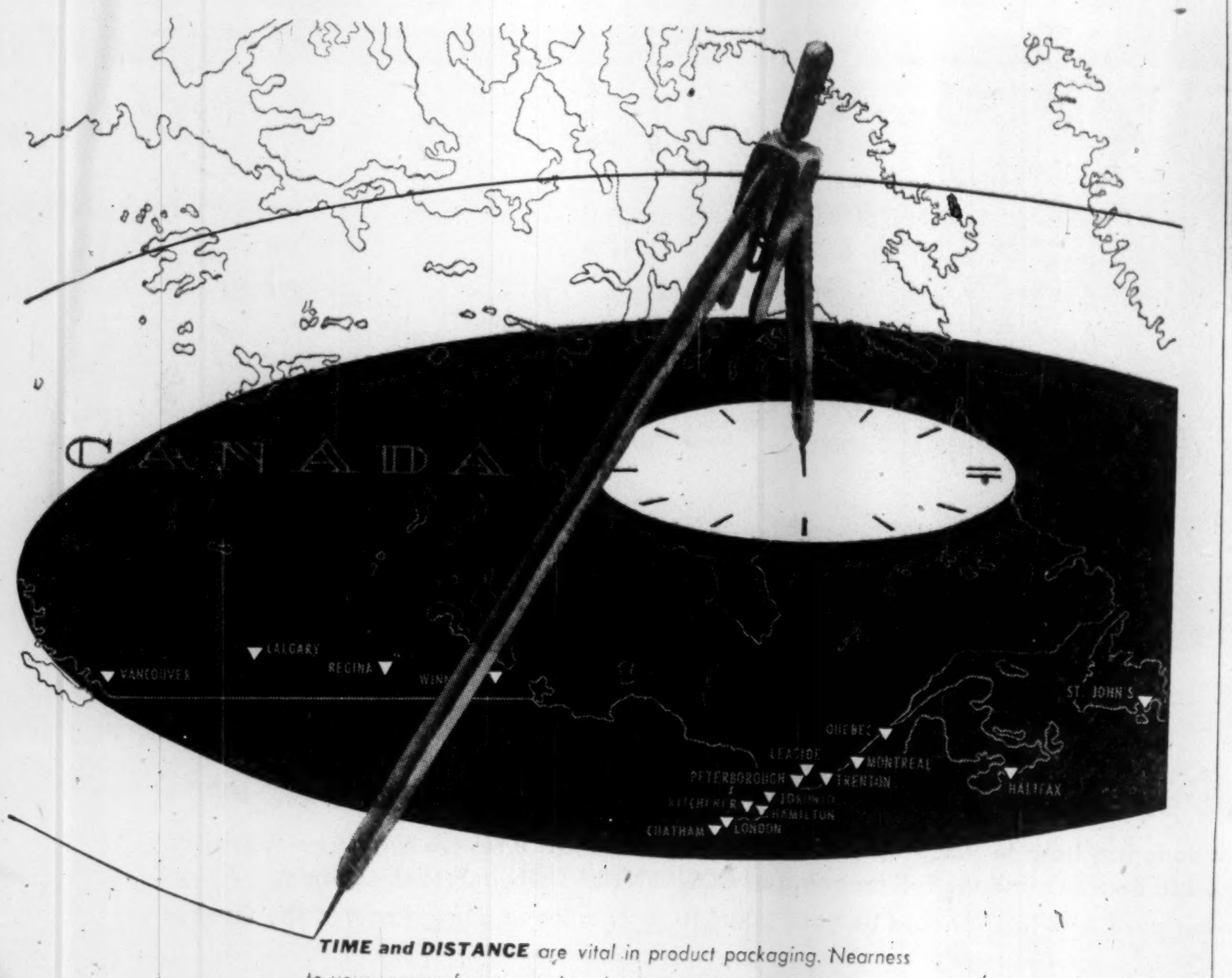

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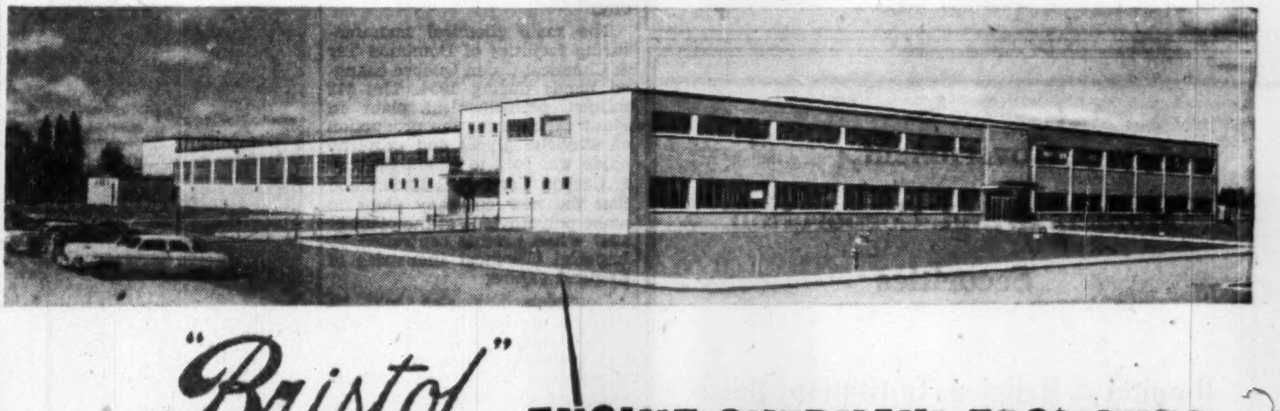

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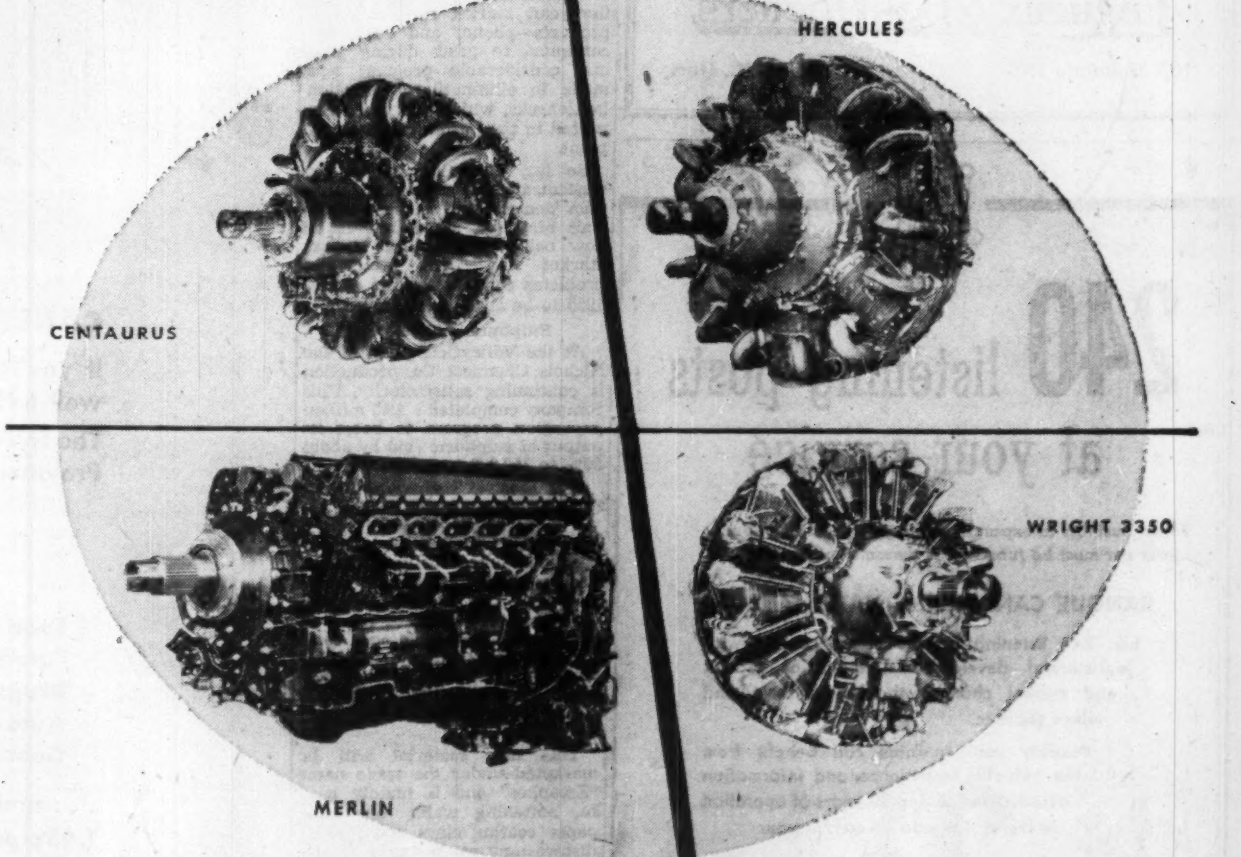

Canada's aero-engine servicing facilities have been extended by the recently completed Bristol engine overhaul plant in Montreal North, now in production.

Through this 155,000 sq. ft. plant will pass the Merlin engines of Canadian civil airlines and the Royal Canadian Air Force's North Stars and Lancasters . . the Bristol Hercules for T.C.A.'s Freighters and Bristol Centaurus and Wright engines of the Royal Canadian Navy and the power units of other civilian aircraft.

Among the many up-to-date features of the new plant is one of the most modern aero-engine test houses in Canada, which can take up to 10,000 horsepower engines.

This plant and the Bristol plant in Vancouver keep the name of Bristol synonymous with the progress of aviation in Canada.

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# Planes From The Land of Cartier

## *Quebec Aircraft Makers Have Big Stake In The Future*

The land that Jacques Cartier discovered, the province whose industrialization for many years lagged behind the rest of the country, now houses some of Canada's greatest aircraft-building facilities.

This forward-looking industry continued to grow in importance during 1954. Quebec's planemakers have consolidated their unique place in the provincial economy.

Direct employment in construction of planes and aircraft engines now totals around 10,000, but economic impact of the industry spreads over a much wider area. Like shipbuilding, aircraft production entails a host of subcontracting operations.

As well as jet aircraft and jet trainers now being turned out, jet engines and piston-driven power planes are being manufactured in increasing quantities. And while almost all current production is delivered to the Department of National Defense, the planemakers are already laying plans for their future, which could make Quebec the centre of Canadian civil aviation.

Most important unit of the Quebec aircraft industry is the huge plant of Canadair Ltd. on the outskirts of Montreal. A subsidiary of General Dynamics Corp., New York, the company now has a payroll of around 7,000.

Right now, two aircraft are being turned out by the company: the Orenda-engined Sabre jet and the T-33 RCAF jet trainer. On the F-86 job, about 12% is subcontracted in the province, while about 23% of the T-33 order is being produced by Quebec subcontractors.

Last November, Canadair started production of the fastest model of the Sabre jets—Mark IV—which is powered by the 10,000-lb. plus thrust jet engine being made by A. V. Roe Ltd. in Toronto.

Production of the plane marks the fourth type of Sabre fighter turned out by Canadair since production of the U. S.-North American designed aircraft started at Montreal.

### New Sabres For U. K., U. S.

While most of these planes have been produced for the Royal Canadian Air Force, some 400 of the aircraft, powered by General Electric J-47 engines, were also made for the RAF under a Canadian mutual aid program. During the critical period of the Korean War, some 60 planes were also turned over to the United States Air Force which was experiencing a temporary shortage of jet fighters. When the new Sabre models began replacing Royal Canadian Air Force machines in Europe, the Canadian Government turned over the older planes plus spares and engines to Greece and Turkey as part of mutual aid contributions.

There has also been considerable speculation that with West Germany entering into the European defense alliance, part of the new West German air force may be equipped with Sabres to be built here.

The T-33 jet trainers are being made under a $100 million contract which should be completed by early 1956. Since Jan. 31, 1952, Canadair has received contracts from the Canadian Government valued at more than $470 millions. Estimated output during 1954 was around 1,000 aircraft.

The company was badly hit in June, 1953, when the U. S. Air Force canceled a $100-million T-33 trainer order which resulted in the layoff of 1,500 men. The blow was cushioned somewhat however, because about 35% of the work had been farmed out to subcontractors—involving almost 100 feeder factories. The cancelation was the first major result of the economy campaign instituted by General Eisenhower.

### Britannia For RCAF

Major news from the company in 1954 was a $180 million order to manufacture a military version of the Bristol Britannia under license from the Bristol Aeroplane Co., England. These huge aircraft will be used to succeed Lancasters now used by the RCAF for Maritime reconnaissance. Production lines are being equipped to turn out the plane and actual construction is expected to begin later this year.

The Britannia is a high-altitude, fast passenger aircraft powered with turbo-prop engines. It will be considerably modified for RCAF purposes, which call for an extremely long-range, large transport able to fly at low speed as well as high altitudes.

The modifications are secret, but are known to include a completely new wing design, replacement of British engines with Wright turbo-props, an elongated fuselage and a redesigned tail assembly.

Possibly even more significant than the initial RCAF order, would be the long term potential of Canadair in obtaining commercial sales right for the Britannia.

The company has also designed a twin-engined propeller-driven aircraft as a possible successor to the DC-3 to fill the needs of passenger and cargo airlines. This design calls for a high-wing pressurized plane with a gross weight of 32,000 lb. and a capacity for 22 passengers and a crew of three.

While never produced, it is estimated that the plane could sell for about $450,000. A worldwide sales survey and market assessment has been made, but no final decision has been reached about this project. Early in 1953, Canadair took over management control of Fleet Manufacturing Ltd. at Fort Erie, Ont.

### Rolls-Royce Prospects

With the first shipment of produced-in-Canada turbo-jet engines dispatched to the RCAF at the beginning of 1954, Rolls-Royce of Canada Ltd. last year reached the initial point of steady production at its new aero-engine plant near Montreal. The RCAF order for 900 Nene-10 turbo-jet engines to power the T-33 jet trainers called for a heavy proportion of the engines to be made in Britain, but it was stipulated that Rolls-Royce establish facilities in Canada to produce the engines in time of emergency.

The $3 million plant now has completed these facilities and is assembling the engines as well as producing spare parts for the RCAF and overhauling and testing the Nene engines which are already in service.

Another important source of new business for the company will result from the introduction of Vickers Viscount turbine-propeller aircraft by Trans-Canada Airlines, the purchase of one by the Department of Transport and the fact that Capital Airline in the U. S. has bought 60. While the Dart engines which power this plane are made in the U. K., the Canadian company will have heavy commitments for spare parts and services both here and south of the border.

Rolls-Royce of Canada Ltd. is a wholly owned subsidiary of Rolls-Royce Ltd., Derby, England, which has been manufacturing aircraft engines since 1914. The Canadian company is a successor to Rolls-Royce, Montreal Ltd., incorporated in 1947 as a sales agency. The plant is located on a 102-acre plot of land to provide for future expansion.

Another U. K. aircraft manufacturer—Bristol Aeroplane Co.—opened major manufacturing operations near Montreal in 1953 at a $4 million plant. Called Bristol Aeroplane Engines (Eastern) Ltd. the wholly owned subsidiary overhauls the power plant of six types of aircraft. Working on orders of about $8 millions a year the 155,000-sq. ft. factory is equipped to provide eventually overhauling facilities for 120 engines per month.

Regular contracts now include overhauling Merlin engines of RCAF North Stars and Lancasters, RCAF turbo-compound Wright engines, and Seafury Centaurus engines for the Royal Canadian Navy. Periodic inspections are also carried out of the power units of the new Super-Constellations and Bristol Freighters of Trans-Canada Airlines.

### Winnipeg Deal

During the year, Bristol acquired all the outstanding shares of MacDonald Brothers Aircraft Ltd. at Winnipeg for a reported $3 millions. This airframe plant gives the English company integrated aircraft manufacturing facilities in Canada, although no plans for turning out new planes have yet been announced. The Winnipeg firm recently received an order to reconstruct some CF-100s for training purposes.

Canadian Pratt & Whitney Co., subsidiary of United Aircraft Corp. in the U. S., operates a seven-acre plant near Montreal. The $13 million factory now employs about 1,000 and is completing an order for Harvard power plants. The company will also do important subcontracting for new naval anti-submarine aircraft to be built at de Havilland in Toronto and at Canadian Car & Foundry in Fort William.

The U. S. company, which was established in 1951, is designed for rapid expansion in case of war with the master plant covering four times the present area. It also handles sales of United Aircraft Helicopters—several of which were purchased by Iron Ore Co. of Canada and Consolidated Mining & Smelting Corp.

Aircraft Industries of Canada Ltd. operates a plant at St. Johns for overhauling of Harvards and Cansos and fleets of small airlines.

### Arsenal Defense Products

Aside from aircraft and shipbuilding (see separate story) Quebec is also an important defense production centre, as the home of more than one half of the manufacturing facilities of Canadian Arsenals Ltd.

The Government-owned company operates three manufacturing divisions in the province representing a capital value of approximately $67 millions and employs close to 5,000 people. In 1954 output was valued at around $35 millions.

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# Power Problem Of Abundance

(Continued from page 38)

spliced to 2¾-mile lengths at either end by anchored barges. Total capacity: 100,000 hp, much of it slated for Gaspé Copper Mines development of Noranda. Total cost: $15 millions.

Unfortunately, after all the fanfare, this new transmission line has not been working properly so far. It was inaugurated Oct. 10, but a month later Quebec Hydro announced that transmission of power through the four underwater cables had not been carried out successfully.

Then in December, officials reported the cable would not be ready for service this winter; power had been transmitted under an increasing load when a fault developed. They blamed frequent storms during the summer for delaying cable-laying, leaving no time to make adjustments or repair faults discovered during operating tests.

Hydro officials are confident the trouble will be righted this spring. Meantime, the Commission has acquired a 1,000 kw. mobile diesel-electric plant to aid Lower St. Lawrence Power Co., a south shore operator which had been counting on the new north shore power source.

Other transmission and distribution line extensions last year included:

—Quebec Hydro interconnected its system with Gatineau Power Co.'s, by a new 110-kv line from Cedars to Lachute. And up north, the Commission nearly finished a 146-mile, 161-kv line between St. Felicien and the rich Chibougamau mining district.

—Shawinigan Water & Power Co. extended its transmission system by 75 miles of 60-kv line, and had under construction 80 miles of 220-kv line.

—Southern Canada Power Co. added over 40 miles of new rural lines, bringing its rural electrification program near completion.

Moderate additions to transmission systems were made by Lower St. Lawrence Power Co. and Quebec Power Co. Further progress was made in rural electrification, and about 100,000 farms are now receiving service, mainly from the private power firm.

The Quebec Streams Commission was active during the year, continuing preliminary investigations of water-power sites on some of the more remote Quebec Rivers. It also, of course, carried out its key task of regulating stream-flow—both for power production and flood control — on several important rivers. The Streams Commission has an extensive system of 28 storage reservoirs in the province.

The record 34.8 million kilowatt hours produced in Quebec last year brought fat earnings to most of the power utilities:

For instance, giant Shawinigan Water & Power Co. sales hit a new high, up from the 8.1 billion kwh. peak established in 1952, and net earnings are estimated to have been at record levels.

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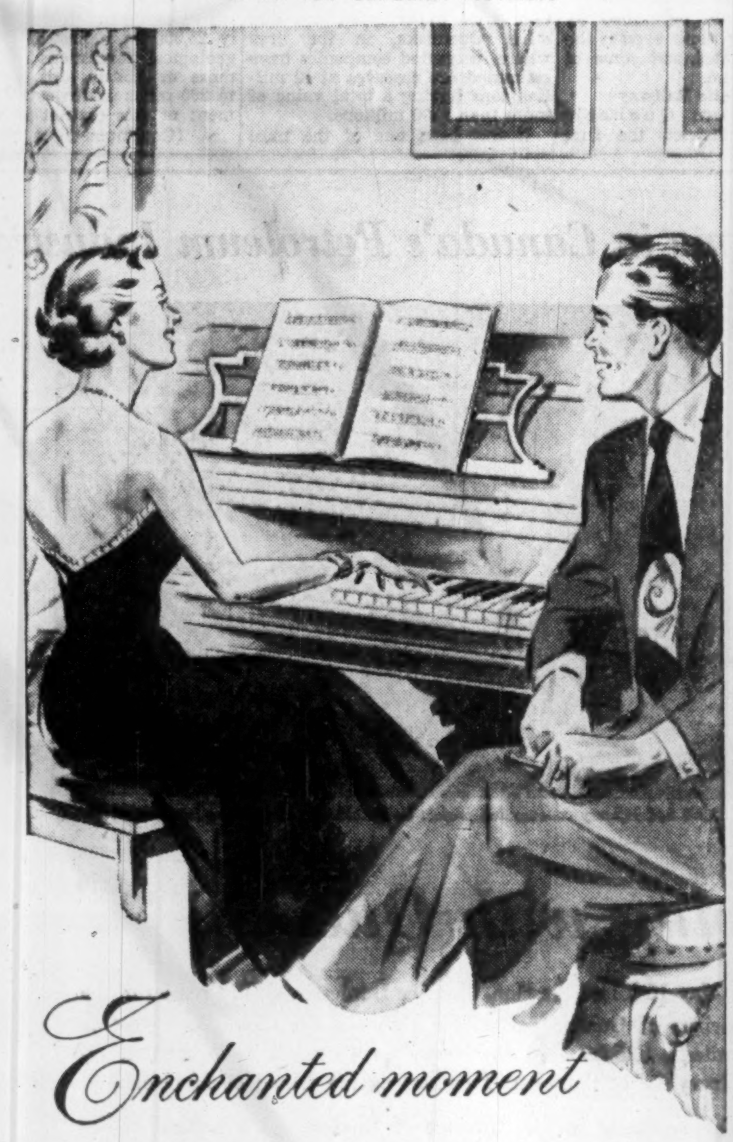

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# New Wealth from the Wilderness

## New Output Records Ahead As Mines Near Production

From the bleak wilderness of the northern Precambrian Shield to the plains of St. Lawrence lowlands, exploration, development and exploitation of Quebec's mineral wealth continues to provide bright horizons for the future and a source of increased wealth for the province.

To prospectors, miners and mine operators, the rock drill has become a symbol of livelihood and the headframe offers a promise of economic security. Their work has affected the lives of everyone.

During 1954, Quebec's total mineral production amounted to an estimated $275.5 millions, an all-time high, and an increase of $8.2 millions from the previous record of $267.3 millions in 1952. Output in 1953 was $253.1 millions.

As in previous years, asbestos led the field in dollar value, with $79.3 millions worth mined. Other high dollar earners were copper ($48.2 millions), gold ($37.3 millions), zinc ($25.3 millions), and cement ($19.2 millions).

In general classifications, the mineral output was divided as follows: metals, $126.2 millions; industrial non-metallics $94.9 millions; building materials $54.4 millions.

Summing up the mining situation in Quebec, Deputy Mines Minister A. O. Dufresne said: "The mining industry at present enjoys most remarkable progress which reflects throughout the economic life of the whole province. Precious metals, base metals and industrial minerals contribute their share to the activities of industrial, commercial and financial enterprises."

### How It Grows

Since the beginning of recorded production in the province—about the turn of the last century—Quebec's mining industry has produced a cumulative total in excess of $3 billions. The mines of Western Quebec—which started production only in 1927—alone have contributed more than a third of this.

The province believes that there will be a "sensible" increase in the value of production this year because of new mining projects now being brought to the production stage. It foresees a total value of production of more than $500 millions by 1960 if the annual value of the mining industry per capita continues to grow at the same rate.

Much of this will stem from the New Quebec iron ore development and the Gaspé copper project, but other ventures also hold considerable promise. Aside from plans for expanded production and increased output from already established mining areas, important developments are taking place which assure not only higher production but also some of the largest engineering projects ever undertaken in the province. These include building roads, bridges, railroads, establishment of mining villages, even the drainage of a lake and relocation of a long-established city in the heart of a mining centre.

The most important single mining news of 1954 was completion of the $250-million project to tap fabulous iron ore fields in New Quebec-Labrador fields. An estimated two million tons of iron ore were mined for delivery along the 360-mile railway from Burnt Creek to Sept Isles between July 31, 1954, when it opened, and Jan. 1, 1955.

The target for annual shipment has been set at 10 million tons of ore by 1957. Ultimate target is 20 million tons. This means reserves, estimated at 400-million tons by Iron Ore Company of Canada, will be mined at a rate of about $180 millions annually.

On the headwaters of York River in eastern Gaspé, another $35-million project is well under way. In this area, Gaspé Copper Mines, subsidiary of Noranda Mines, Ltd., has undertaken development of a copper deposit, ore reserves of which are estimated at 70 million tons grading 1.3% copper with presumably other large reserves to be expected. The project embraces a 6,500-ton concentrator for the largest initial milling rate ever attempted in Canadian mining. A smelter is also being completed.

### Challenge To Engineers

From its inception the Gaspé project has presented an unusual range of problems and challenge to engineers. In this area the site was isolated, the forest was vast and thick, the terrain was rugged.

Two major difficulties to development — transportation and power—are being overcome. A new 24-mile highway nearing completion between Murdochville, mushroom mining town, and Anse Pleureuse, on the south shore of the St. Lawrence, will give ready access to Mont Louis, four miles west.

Mont Louis is a ready-made shipping port, wharf facilities are being constructed. There is already a harbor with facilities at the town of Gaspé, linked to Murdochville by a 62-mile, all-weather, first-class gravel highway built by the Provincial Government in 1952. But Mont Louis is much closer (34 miles) to Murdochville than Gaspé and its use could assist economy of the surrounding area.

Mont Louis will ship outgoing anode copper to a refinery in Montreal and also will serve as receiving port for all supplies, especially bunker oil for use in smelting furnaces. Eventually, there will be concentrates from other mines for customs treatment at the smelter.

The big power line from the north shore of the St. Lawrence to Quebec Copper property has been completed and hydro-electric power has been made available. However, a break in the transmission line has temporarily ended this operation until spring.

The power will be delivered from the north shore of the St. Lawrence by a 32-mile submarine cable, longest underwater gap in the world to be bridged in this fashion. It extends between Pointe aux Outardes and Les Boules from where a tie-up along a 142-mile transmission line comes to the Gaspé project. The hydro electricity will be purchased initially from Manicouagan Power Co., and ultimately from Bersimis project scheduled to begin operations in 1956.

Quebec Copper project has given renewed impetus to other mineral explorations in Gaspé.

Elsewhere, in the Eastern Townships, the asbestos industry has reached the half-way mark in its expansion program—to cost an estimated $75 millions between 1952 and 1957. Reserves in the province, which account for 95% of Canada's 60% of world asbestos production, are considered sufficient for 100 years if the present mining rate is continued.

These were among highlights of 1954 in asbestos:

—Johnson Asbestos Co. officially opened a 4,000-ton mill in the summer although installation was completed in 1953.

—Canadian Johns-Manville opened the first unit of its new mill. When completed, it will have an output capacity of 600,000 tons of fibre annually, enabling Jeffrey mine to maintain its position as the world's largest asbestos source. The milling rate of more than 15,000 tons daily will produce about one third of the world's supply.

—Asbestos Corp. put its new Normandie Mine and 5,000-ton mill into operation. This is one of four mines now operated by the company.

The asbestos industry is centred around Thetford-Black Lake and Asbestos districts in the townships. Mines have been in operation for about 75 years. Demand for asbestos depends almost entirely upon world markets. Business conditions in many countries have been more competitive during recent years, especially in the U. S., where most of Quebec's output is shipped.

With the entry of Russian asbestos into the market, the outlook is for slightly lower production. But the long-term outlook is bright. New uses bringing new markets are steadily being developed.

Among the highlights of current development is a $20-million engineering project by Lake Asbestos of Quebec Ltd., subsidiary of American Smelting and Refining Co. It will bring into production United Asbestos property beneath the lake to allow open-pit mining. It calls for construction of a 5,000-ton mill.

It involves:

—Removing 30-million cu. ft. of clay, sand, glacial till and gravel covered by 50 ft. of water.

—Diverting Becancour River which empties into the northeast corner of the lake.

—Building interception ditches around the lake to take inflowing streams, and construction of a dam.

—Erecting other dams at the discharge of Lake Becancour and on Becancour River at a point east of Thetford Mines to regulate flow of the rivers especially during flood period.

As a result of substantial underground working and test drilling, ore reserves under Black Lake are conservatively estimated at 50 million tons grading 7% of asbestos fibre. Because of the nature of the rock, it is believed that only a small portion of the ore could be mined by underground methods even if the lake were drained and some of the mud removed.

### New 200-Mile Railway

In Northwestern Quebec's Chibougamau district, the first full year of copper-nickel production was experienced by one mine, Opemiska, in the area where interested companies have estimated ore reserves at 10 million tons having a total value of more than $100 millions.

It has been one of the most active areas in the province during recent years. It covers roughly 25,000 sq. miles in favorable geological formations similar to those in Abitibi area, about 150 to 200 miles southwest. Development of this district is a prime

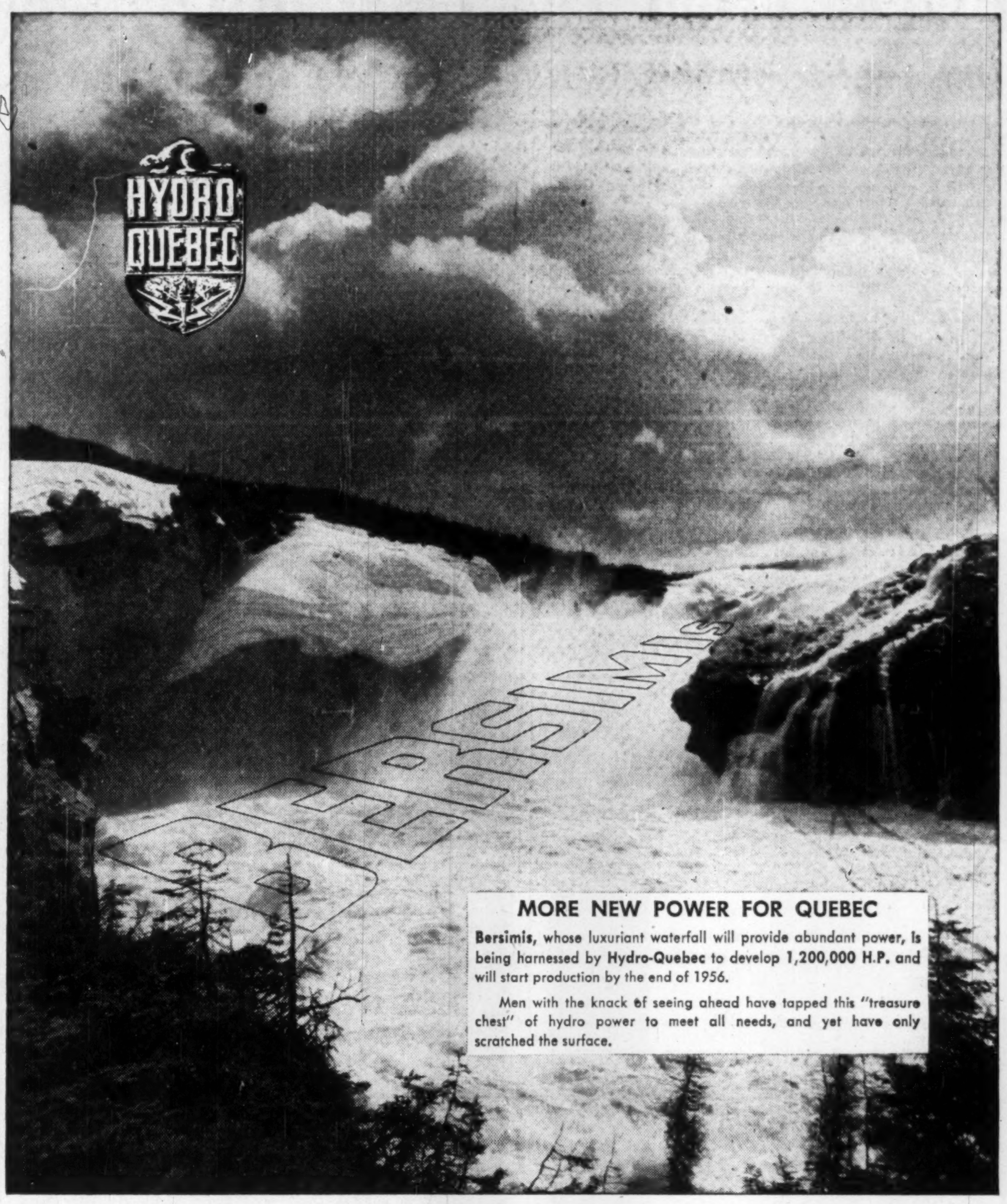
(Continued on page 44)

### The Yield from Quebec Mines

(1954 Estimates)

| METALLICS | | Quantities | Value $ |
|---|---|---|---|
| Bismuth | lb. | 70,700 | 128,674 |
| Copper | lb. | 165,193,507 | 48,170,428 |
| Gold | oz. | 1,094,668 | 37,295,339 |
| Iron (ingots) | tons | 90,885 | 2,939,144 |
| Iron ore | tons | 666,645 | 4,389,300 |
| Lead | lb. | 17,052,104 | 2,273,045 |
| Molybdenite | lb. | 875,000 | 534,000 |
| Selenium | lb. | 190,000 | 950,000 |
| Silver | oz. | 5,082,645 | 4,231,811 |
| Titaniferous iron ore | tons | 7,500 | 17,312 |
| Zinc | lb. | 211,754,217 | 25,283,454 |
| Sub-total | | ...... | 126,212,507 |
| NON-METALLICS | | | |
| Industrial minerals | | | |
| Asbestos | tons | 914,864 | 79,284,671 |
| Feldspar | tons | 15,439 | 307,741 |
| Industrial lime | tons | 369,979 | 3,344,933 |
| Industrial limestone | tons | 420,000 | 1,135,000 |
| Magnesitic dolomite, brucite and magnesium | | ...... | 4,008,678 |
| Mica | lb. | 920,692 | 64,422 |
| Mineral water | gal. | 310,000 | 165,000 |
| Ochre and iron oxide | tons | 5,799 | 181,073 |
| Peat | tons | 22,998 | 619,993 |
| Quartz | tons | 89,248 | 227,045 |
| Soapstone and talc | tons | 12,680 | 141,738 |
| Sulphur | | ...... | 1,759,243 |
| Titanium oxide (in slag) | tons | 82,386 | 3,680,077 |
| Sub-total | | ...... | 94,919,614 |
| Building materials | | | |
| Building lime | tons | 50,000 | 600,000 |
| Building stone | tons | 7,004,179 | 12,064,436 |
| Cement | bbls. | 7,580,000 | 19,212,000 |
| Clay products | | ...... | 8,139,965 |
| Sand-lime products | | ...... | 409,170 |
| Sand and gravel | tons | 30,865,750 | 13,992,308 |
| Sub-total | | ...... | 54,417,879 |
| GRAND TOTAL | | ...... | 275,550,000 |

Source: DBS.



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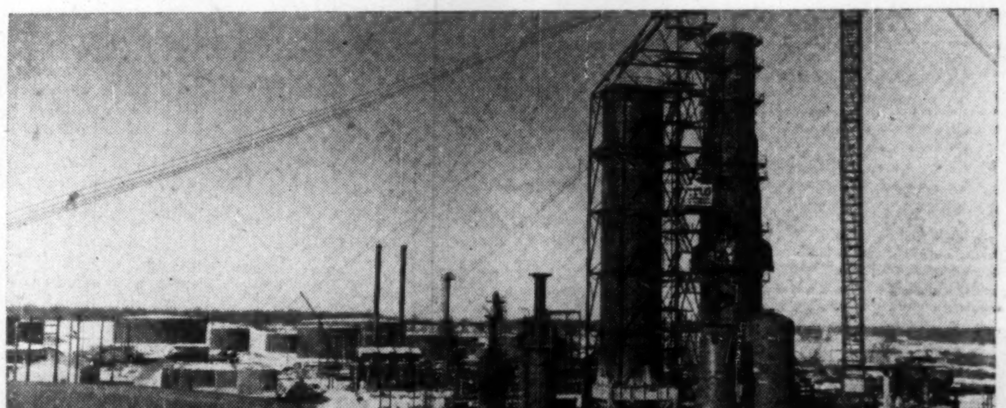

*A partial view of Canadian Petrofina's 20,000 b/d refinery construction project on its 215 acre site on the Island of Montreal.*

*Growing with Quebec*

On May 15th last, the Hon. Maurice Duplessis, Q.C., Premier of the Province of Quebec, turned the first sod for Canadian Petrofina Limited's $25,000,000 investment in Canada's most modern oil refinery — at Point-Aux-Trembles on the Island of Montreal.

This investment in the Province of Quebec was a natural choice based on Montreal's advantages in shipping, transportation and distribution — and in the skills and character of its people.

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# Wealthy Quebec Keeps The Fiscal Furnace Roaring

## *Local Income Tax Argument Brings In All Ten Provinces*

Quebec's controversial income tax is making a solid $24-million contribution to provincial revenues in the year ending March 31, 1955.

It is also keeping the fire hot under the warmest dominion-provincial fiscal argument Canada has seen in years — an argument which could mean a full-dress conference with all 10 provinces later in 1955.

The thing all started a year ago, when Quebec — the only province outside the tax rental fold—decided to try its hand at collecting a personal income tax. It set rates at a level which returns it about 10% of the money the Federal Government collects in income taxes in the province each year.

Premier Duplessis then argued that Ottawa should let payers of his tax deduct the full amount from their federal tax. Ottawa said no, refused to budge from its earlier rule that only up to 5% of an individual's federal tax could be deductible to meet a provincial levy.

Bringing the tussle to a boil was Prime Minister St. Laurent's blunt speech attacking Premier Duplessis, delivered at Quebec City in September. Since then, events have moved fast:

—Early in October, the two heads of government met in Montreal for an informal talk and an attempt to thrash the problem out.

—In November, Premier Duplessis agreed to remove from his income tax act the claim to priority over Ottawa in direct taxation. He also indicated readiness to enter into some temporary agreement, but still held out for full deductibility of the provincial tax.

—In mid-January Mr. St. Laurent advised Quebec that the Canadian Parliament would be asked to approve granting a federal tax cut of 10% to all taxpayers of any province collecting its own income tax, regardless of whether or not all these taxpayers pay a provincial tax.

—Mr. Duplessis has replied that the offer is still not satisfactory.

### Ottawa's Shrewd Move

This latest Ottawa move in the giant chess game is regarded as a shrewd one. Because while 750,000 people in Quebec pay a federal income tax, only some 350,000 of them also shoulder the provincial load. That's due to higher basic exemption levels in the Quebec setup.

Thus, 750,000 taxpayers will share a tax-cut melon of $28-$29 millions from Ottawa. The 300,000 who don't pay provincial tax anyway will be money in pocket. Some of the others will also show a net gain on the deal—with the Ottawa reduction more than enough to offset their provincial tax. Some will just break even. But those in the higher income brackets will still be double taxed—their Quebec tax will be higher than the Ottawa cut.

Under this plan, the onus for removing double taxation in Quebec is handed back to Mr. Duplessis. He could do it by adopting the federal exemption level and lowering his rate, in other words widening his tax base to return the same amount of money. All 750,000 would then help with the provincial tax, but would get back from Ottawa exactly as much as they paid to the province.

Quebec's personal income tax reflects a long-standing feud with Ottawa on money matters, and stiff opposition to tax rental deals—at least on the terms offered so far.

If the Premier had followed the lead of the other nine provinces—renting his right to levy personal and corporation income taxes in return for a federal grant—Quebec would have received about $120 millions in fiscal 1954.

Against this, the province picks up about $92 millions by doing its own collecting. That includes $24 millions from personal income tax, a figure which will probably rise to $28-$29 millions this year.

So Quebec still doesn't do as well as it could under a rental deal of the present type. But it figures that the loss is made up by retaining the more intangible right to levy its own taxes.

### Position Could Get Tough

Taxes, and ways and means of collecting them, are naturally of prime importance to government at all levels. Governmental expenditures have been steadily climbing to new records year by year, and certainly Quebec's income tax makes budget-balancing on a higher level much easier.

This balancing act could get much tougher in Quebec over the next few years.

Take new schools, financing of which is helped by provincial grants. By last June, according to Finance Minister Onesime Gagnon, Quebec's population had risen to 4,388,000, against 4,055,000 in 1951. Estimates are that between 1954 and 1960-61, school population will increase by 250,000; that compares with a gain of 157,000 in the six years 1948-53.

This means that apart altogether from improvement of present facilities, 10,000 new classrooms will have to be built in Quebec over the next seven years. Total estimated cost: $200 millions, against $145 millions spent in the last six years.

The same goes for hospitals. Outlays under the Public Charities Act, including cost of building new hospitals and enlarging old ones, rose from $8.1 millions in 1944-45 to $39.1 millions in 1953-54. This will continue to climb, especially since Quebec last year authorized an increase of about 20% in the provincial contribution toward maintenance of indigent patients.

Recently, 3,000 additional beds have been made available in Quebec for the mentally ill. Now, provision of another 4,000-5,000 is under consideration.

### Toll Road Talk

Roads, too, are expected to take a steadily larger dollar outlay each year. Quebec started a big road-building improvement program in 1945, and since then has invested over $500 millions. But with sharp industrial expansion and population growth continuing—and more and more cars on the road every year—improved communications are essential.

Recently, Quebec has been talking of starting its first toll highway—a 25-mile four-lane job running north from Montreal into the Laurentian resort area. Better highway facilities are urgently needed on this route, but it's one of the few in Quebec where the traffic is dense enough to make a toll road an economic proposition. Most other places, costs would have to be financed out of revenues obtained from other tax sources.

As with education, health and roads, so with the other smaller items in Quebec's expenditure picture. Most are expected to trend steadily higher.

In the past, Quebec expenditures were concentrated mainly in the older, well-established areas of the province. But sharp economic growth over the last decade has extended farther and farther the fiscal frontier.

The growth itself, of course, helps to bulge provincial coffers. But it also means some heavy outlays.

For instance, increasing traffic along the north shore below Quebec City means the road between Tadoussac and Baie Comeau has to be modernized. It will also have to be extended to Seven Islands, fast-growing town at the start of the new railway into the great Quebec-Labrador iron ore deposits.

During the past few summers, the Quebec Government has had several parties out investigating hydraulic resources of the Ungava Bay area. Meantime, aerial surveys of huge areas opened up north of the St. Lawrence have been undertaken.

### $331.2-Million Budget

For 1955-56 Finance Minister Gagnon is budgeting for total expenditures of $331.2 millions, up $22.5 millions from 1954-55 and more than triple 1938-39's $110 millions.

This record figure includes $255.1 millions ordinary outlays, $50.1 millions on capital account and $26 millions for debt service. Among the bigger increases:

—Health will rise to $60 millions from $49.9 millions, or roughly 18% of total expenditures.

—Education will hit $46.6 millions, against $35.3 millions, absorbing 14%.

—Roads will climb to $61.7 millions from $58 millions, taking some 19%.

The education estimate includes close to $2 millions of grants made to five Quebec universities to make up for money they are not allowed to accept from the Federal Government.

These schools—McGill, Laval, Sir George Williams, University of Montreal and Bishops University—shared in the federal aid to universities started in 1951-52. But since then they have been prevented from accepting it by the Quebec Government.

### New Tax Sources

To finance the steadily growing size of government expenditures, new sources of funds have been found—such as taxes on sales, amusements, mines and other natural resources — while yields have been boosted on the older revenue-producers.

Prosperous times and booming growth have meant that, despite record expenditures on capital account Quebec's debt picture has been kept in good shape. Net funded debt has been running about $355 millions, or around $83 per capita against $180 for Ontario.

This figure, however, does not include government-guaranteed debentures of provincially owned Quebec Hydro-Electric Commission, totaling around $230 millions; nor some $45 millions of Quebec Municipal Commission, interest and principal on which are paid out of the Education Fund.

Last June, a suggestion was made to the provincial Royal Commission on Constitutional Problems that Quebec again take over the bonded debt of school corporations in the province.

This had been done once before, in 1946, when bonded debt of over 1,000 school corporations was assumed by Quebec Municipal Commission. Now, however, debt is almost back to 1946 levels and it was felt by Quebec Federation of Catholic School Commissions that assumption of this by the province is the only solution.

No action has been taken by the province since the brief was submitted.

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Production of TRILAN filament yarn and fabrics is already under way in Drummondville on a pilot plant scale.

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# Fishermen Harvest Coastline Crops

Sea-water washes 1,700 miles of deeply indented coastline in 12 counties of the Province of Quebec.

From the 85,000 sq. miles of water, Quebec's fishermen last year pulled out fish worth $8 millions. Despite a continuing depression in world markets, it was one of the best years for the industry.

While the value aboard the fishing schooners remained at $3 millions, the spread between this figure and the retail value of the catch widened during the year. It is estimated that some 5,000 Quebeckers earned their living directly from the sea, while another 2,300 were employed at processing plants.

During the six fishing months—April to November—an estimated 85 million lb. of fish were caught. Cod, herring, salmon, lobster and mackerel were the main species harvested.

While most of the catch was cod and herring, the lobster made most money for those in the industry.

It is estimated that Quebec fishermen own boats, wharves and fishing equipment worth over $4 millions. The catch was processed in some 82 small plants, employing 1,800 men and 500 women.

Some 53% of the cod is caught in Gatineau County, which also accounts for 15% of the herring and 13% of the salmon. Majority of the salmon are caught in Bonaventure County while herring and lobster are caught in Magdalen County. Other varieties are harvested in Matane, Gaspé South and Saguenay counties.

### Provincial Control

Actually, 10 of Quebec's largest counties border on the Gulf of St. Lawrence and the concentration of commercial fishing in the Gaspé Peninsula and the Magdalen Islands is among the highest in Canada.

Quebec is the only province to supervise its own fisheries, having acquired their control in 1922. The Quebec Department of Fisheries administers the industry, looking after inspections, technology, biology, shipbuilding, cold storage facilities, as well as providing snow houses for storage. Many of the processing plants are owned by co-operatives.

While the plants turn out fresh, frozen, salt cured and canned products, more and more of the catch is now being frozen, especially lobsters, salmon and halibut. Gaspé salmon has been especially successful since Quebec started marketing it as a frozen product shortly after the war.

Before World War II, most of Quebec's lobster catch was canned and marketed in Europe, but this trend has definitely been reversed and almost the entire harvest is now frozen and sold in Canada and the U.S.

Until 1946, the Quebec fishermen had little to worry about in their marketing activities. World demand was high and most of their catch was allocated by the International Emergency Food Council. In more recent years, however, the fish market has been heavily hit by European competition and dollar shortages of potential customers. That was what caused Quebec fishermen to concentrate on markets at home and across the border.

### New Venture Booms

One new branch of the province's fisheries industry is the marketing of frozen cod fillets in the form of "fish sticks." Although the business is only six months old, during the latter half of 1954 a million lb. of this delicacy were sold.

More than 20 draggers are now in operation in Quebec and these little ships are proving very helpful in speeding the return of the daily catch; more are likely to be built this year. Modernization of the Quebec fishing fleet started in 1952.

---

***Lobsters mean big money to Quebec fishermen. While the bulk of their catch is cod and herring, the lobster brings in most of their dollars. Here is a breakdown of the main classes of fish caught in Quebec waters showing catch dollar yield percentages:***

| Species | Quantity % | Value % |
|---|---|---|
| Cod | 43 | 31 |
| Herring | 42 | 10 |
| Salmon | 1 | 8 |
| Lobster | 3 | 34 |
| Mackerel | 7 | 8 |
| Others | 4 | 9 |

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# Pulp and Paper Industry Keeps Growing in Quebec

Continued from page 35

gram at East Angus. This includes a new kraft machine which started production during the third quarter. East Angus can now turn out 84,000 tons of paper and paperboard a year, against the previous 58,200, and no longer will have market pulp for sale.

—Richmond Pulp & Paper Co. is still working on its $5 million expansion-modernization program, started in 1950. Most important item at the moment is a second digester, which will raise semi-chemical pulping capacity to 50 tons a day. Richmond is the only Canadian newsprint mill using semi-chemical pulp.

Improvements in forest utilization and development of new products mean that Quebec is producing more pulp and paper products today per cord of wood than ever before. There's also been a steady advance in the planning and mechanics of harvesting the pulpwood crop in the province.

Every 10 years Quebec pulp and paper mills take stock of their timber wealth. And from this inventory a general working plan is figured out which outlines over the next decade the places to be cut and the methods to be used.

This done, company foresters gather with provincial government experts (the province owns most of the lands). They discuss the plan, make changes if necessary, and come up with something aimed at achieving the best possible results, both from the company's and the public's point of view.

Annual operating plans are also submitted to provincial foresters, and modified or changed to meet their views. Where necessary, a start is made on building dams, flumes, roads and other facilities. Then, toward the end of the summer, men move into the woods, set up camps and start felling.

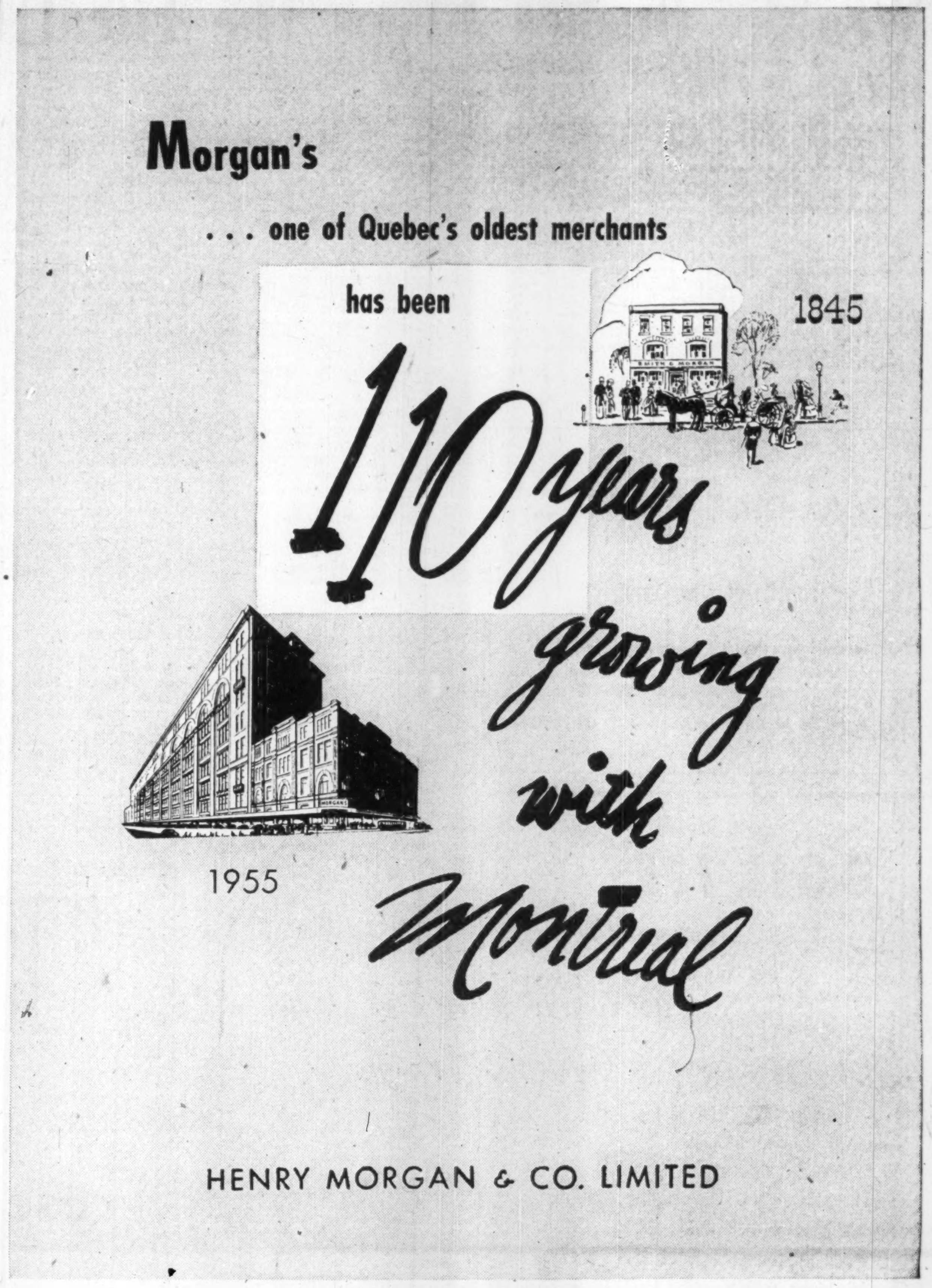
Since the whole process from stump to mill takes over a year, accurate forecasting of needs is essential — and also very tricky. Thus Quebec woods managers are starting to think now about the size of the cut next fall and winter, which will not reach the mill until nearly a year after that.

While better forest management aims at getting the biggest crop from the least cutting, better harvesting methods aim at the cost of getting the wood to the mills. And this expense-paring drive is very important to Quebec. Wood costs in Eastern Canada are now the highest in the world, a point which could hinder growth of the industry.

Mechanization still has a long way to go in Quebec. Small trees, climatic conditions and rugged terrain mean that much equipment useful in other areas is of little use there. Productivity in the woods has shown almost no change for years, and some experts are sure there is a far greater improvement potential at this stage of production now than at the mill level.

However, more power saws, tractors, snowmobiles, heavy diesel trucks, cable-yarding equipment, etc. are appearing in Quebec woods each year, and thus some progress is being made.

Quebec has made no accurate estimate of its timber wealth. And the province has refused to accept a Federal Government offer to share the cost of inventory-taking on a 50-50 basis. Technicians of the Department of Lands & Forests have been organizing a perpetual inventory system, and a survey of Crown lands not under lease in the next few years is planned.



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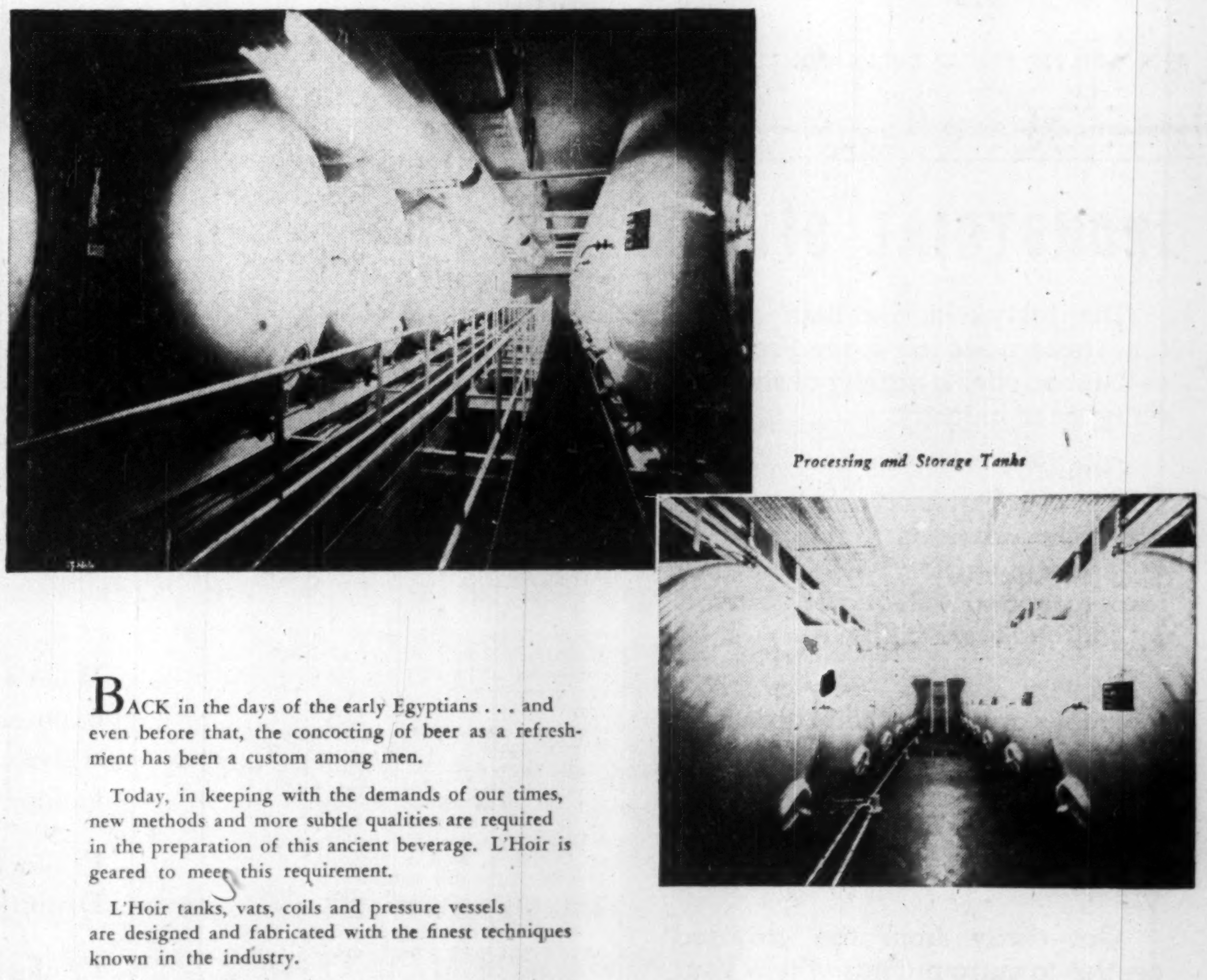

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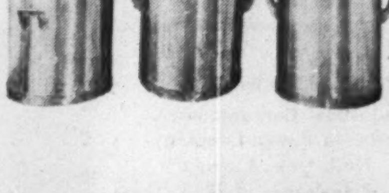

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# Will the Shipyards Build Ships?

## *Navy's Program Goes On, But Civil Work is Down*

Some 23 ships worth over $100 millions await launching and outfitting in Quebec's shipyards.

While orders for commercial vessels have dwindled to one cargo ship, work for the Royal Canadian Navy and Department of Transport continues at a slightly accelerated pace. Small orders are also on hand from the Department of Public Works and one vessel is to be built for the Department of Mines & Technical Surveys.

Shipyard employment in the province is now running around the 5,000 mark—down about 1,000 from the postwar high. All the shipyards are currently participating in an impressive diversification programme which is expected to keep employment at present levels.

The four major shipyards in the province received only one commercial order during 1954, and the outlook for naval shipbuilding is not good, following completion of orders now on hand.

Difficulties may be traced to the same troubles facing shipyards all over Canada—the large price difference in labor content of Canadian ships, as opposed to vessels built across the Atlantic, largely prohibits the placing of commercial orders here.

Future outlook of shipbuilders in the province largely depends on what changes will be made in the Canada Shipping Act, following its study by an Ottawa Royal Commission. The yards are urging that Canada's coastal trade be confined to ships built in this country. If this amendment is accepted, shipyards will no doubt boom again.

### Seaway Prosperity?

A whole new fleet of Canadian lake ships will have to be built if Canadian shippers are to reap maximum benefit from the St. Lawrence deep waterways. That means scrapping or sale of nearly all the present 120 Canadian lakers and replacement by new ships to be built in Canada. This, combined with a stepped up repair business expected to result from the Seaway, should bring the shipyards along the St. Lawrence into a period of great prosperity.

If the Canada Shipping Act is not changed, however, the yards seem to be destined for a role of building government vessels and carrying out emergency repairs for Seaway ships. But even under these circumstances, it is expected that some demand would come up for small barge-type vessels to ply between Montreal and the Great Lakes and these would certainly be built in Canadian yards.

The Royal Canadian Navy's destroyer-escorts are the largest ships now being built on the St. Lawrence. Three of these vessels are under construction at Canadian Vickers (all have been launched) two are under way at Marine Industries Ltd., Sorel, and one is being built at Davie Shipbuilding Ltd. at Lauzon.

Costing over $14 millions apiece, the first ship in this series was launched late in 1951 at Canadian Vickers. These ships are of a radically new design made specifically to combat the modern submarine. They are the first warships to be completely designed and built in Canada and will carry more electronic gear than the average cruiser of World War II.

Canadian Vickers Ltd. will begin two new contracts during 1955. A $4 million diesel-electric hydrographic survey vessel for the Federal Government and a 4,000-ton ore carrier for the White Pass & Yukon Railway, which operates between Skagway, Alaska and the southern tip of Alaska and Fairbanks, via Whitehorse and Dawson City in the Yukon Territories.

The yard's first fully outfitted destroyer-escort will be delivered late in the year and the diesel-electric Cabot Strait car and passenger ferry "William Carson" will be delivered late in spring. Craft delivered during 1954 included two canal-type vessels for Hall Corporation of Canada and a lighthouse supply ship for the Department of Transport. Also, the third of the World War II frigates to be converted by the company was finished in mid-summer.

Vickers now operates one of the largest engineering job shops in Canada. Activities in this department have included important contracts in the erection of the new refinery of Canadian Petrofina Ltd. in Montreal as well as the building of steel gates and machinery for a moveable weir as part of Niagara Falls remedial work program.

Up the river from Montreal at Sorel, Marine Industries Ltd. is working on a minesweeper for the Royal Canadian Navy and completing two escort vessels as well as an ammunition lighter. This yard currently has no commercial contracts under way but facilities are being employed in a wide variety of activities, including delivery of church pews, furniture, refinery equipment, industrial heaters, and freight cars.

At the George T. Davie & Son yard at Lauzon — controlled by Canadian Vickers—several small vessels are being built for the Government including one R.C.N. minesweeper, a looplayer and a Norton tug. There is also a Hopper scow program under way, which includes four ships and a clamshell dredge fleet, both for the Federal Department of Public Works.

During the year two Navy frigates were modernized in a newly built weatherproofed covered shed. The yard also completed considerable repair work in 1954.

At Davie Shipbuilding Ltd. also at Lauzon, a destroyer escort, naval minesweeper and a passenger-auto ferry for the Department of Transport are now being completed. The yard had a very successful year, with delivery of a $650,000 ferry to the City of Three Rivers, a $7-million oil tanker to Andros Shipping Co., Montreal, a 12,000-ton ocean bulk carrier to Saguenay Terminals (the world's first all aluminum superstructured vessel) and a powerful tug for its own fleet. Two frigates were also modernized for the Navy.

Repair work carried out by St. Lawrence Drydock Ltd. and Montreal Drydocks Ltd. during 1954 was down from the previous year, but both companies are looking for an upswing in business once the Seaway has been completed. Montreal Drydock is a subsidiary of Canadian Vickers and operates two 400-ft. dry docks on the Lachine Canal. St. Lawrence Drydock operates a 285-ft. dock in a similar location.

# They Move Part of a City To Save an Asbestos Mine

The city was doomed to slow strangulation because of its own wealth — a bizarre and potentially tragic situation for the 15,000 inhabitants of Thetford Mines.

Through 75 years the city had grown and prospered on its rich asbestos mines in Quebec's Eastern Townships. Now it was painfully obvious that the mines could not live without consuming part of the city. And Thetford could not exist without the mines.

Boldness and foresight were needed to handle the situation. The mining companies and civic authorities showed both qualities when they decided to relocate the city.

The initial $5.5 million dollar project is now under way and when completed will make possible the complete exploitation of one of the world's largest ore deposist of its kind. It will extend the lives of the mines for an additional 50 years to about the year 2050.

Here is what is entailed:

—Relocation of about 100 homes and other establishments, including the Church of England and the head office of the Johnson's Co. (one of the three major asbestos companies involved in the project.)

—Changes in the power and communication system.

—Construction of new streets.

The program made mandatory very early re-routing of 8½ miles of Quebec Central Railway between Black Lake and the northerly end of Thetford Mines, skirting the city on its northwest side.

It required a three-span bridge across Thetford River, the centre span 102 ft. long, outside spans each 72 ft. There are nine concrete culverts (representing 17,000 cu. yds. of concrete), 41 metal pipe culverts. Seventeen miles of fencing were erected 115,000 cu. yds. of material excavated, 560,000 tons of mill tailings used as fill for the grade. A new marshaling yard of six tracks was constructed, a new station and freight shed built.

### Speed The Watchword

As well, a new railway spur line one mile long was laid to provide access to Johnson's plant. A 1½-mile-long city street was built to connect with existing streets. It was built along the southeasterly outskirts of the city and another city street about 6,000 ft. long is being built around the northwesterly outskirts. Each will carry a new 8-in., class 150, asbestos cement water main.

The railway and roads had to be built as quickly as possible. The cutting of the new railway right-of-way was started in August last year, the grading was completed by the end of December. Piers and buttresses of the bridge were also finished during 1953 and the steel was erected in the spring of 1954.

Subgrade of the new southeasterly street was finished before Christmas, 1953, paving last summer.

The construction of the northwesterly street was also completed last year. An interesting feature is provision for a large arched culvert instead of a bridge to give passage over the Thetford River.

This has been the time schedule of the Thetford project so far:

—Discussions between the companies began early in 1951.

—When agreement was reached, meetings followed with civic officials in 1952.

—Movement of the railway began early in 1953.

—The first building was moved in the spring of 1954.

Home owners whose dwellings have been or will be relocated or rebuilt, have been indemnified to the extent of twice the municipal assessment of their property, plus 10%. The cost of the actual removal of the house — most were frame and the moving was low cost — was borne by owners.

To understand why the relocation of the city had become imperative it is necessary to turn back the pages of history to 1878 when asbestos mining started in Thetford Mines. Here, three major companies, Asbestos Corporation Ltd., Bell Asbestos Mines Ltd., and Johnson's have been carrying on mining operations in different portions of the same body of ore for some 75 years.

The ore is in a mass of peridotite, and has its value by virtue of the varying quantity and quality of the asbestos fibres which it contains. The ore body is located in such a manner that it has become the heart of the city and the divided property of three separate owners.

The workings began as surface pits of modest dimensions whose interest lay with long fibre which could be recovered roughly by hand cobbing. The development of a mechanical and pneumatic method of recovering fibres from the host rock brought about increases in sizes of operations and dimensions of the open pits.

No great difficulties were encountered by neighboring open pit mining operations until fairly recent years. However, inconveniences did arise as pits grew in size, nudged one another, virtually merged into one mine with three independent working sections.

Gradually, workings were hemmed in by the limitations of the city, the Quebec Central Railway and the surface plants of the mines.

Another problem arose: The sides of the open pits in the Thetford Mines area cannot safely be allowed a steeper slope than 45 degrees. Consequently, the lateral surface measurements must increase by two feet for each additional foot of depth to which the mines are worked. The time arrived when the surface community and utilities as well as the property plants and boundaries prevented further depth extension.

In the early 1930s King Mine, operated by Asbestos Corp., resolved the immediate impasse by adapting an underground method of mining. In the early 1940s Johnson's Mine was forced to do the same thing and Bell Mine reached the same point in the early 1950s.

The method of mining adopted by all three companies is known as block caving. Other methods of underground mining had been tried and abandoned because they did not accommodate local circumstances and conditions.

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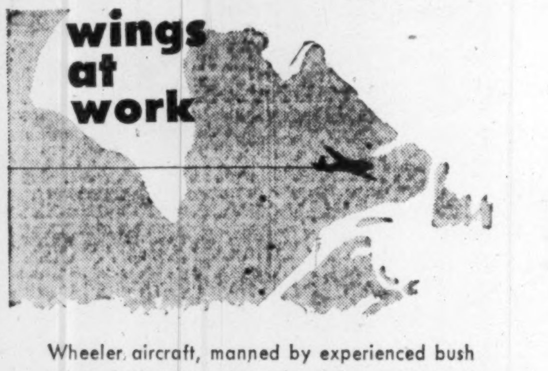

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**The Market Under 10,000 Population**

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47% of population of Quebec (1951 Census)
53% of all registered passenger vehicles
55% of all registered motor vehicles (not counting over 40,000 farm tractors)
*Over 40% of these families are reached by Le Bulletin des Agriculteurs, almost twice the largest French weekend newspaper or French magazine.*

**The Market Under 2,500 Population**

38% of all French families in Quebec (1953—Post Office)
52% of all owner occupied homes in Quebec
6.3 rooms per home, 15% larger than average for Canada
*Every second French family in rural Quebec receives Le Bulletin des Agriculteurs, 3 times the coverage of the largest French weekend magazine and 4 times the largest French magazine.*

**The Quebec Farm Market**

5.5% increase in Quebec farm cash income in 1954
Over $500,000,000 total farm cash income, $3,800 average
134,000 farms
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Well over 80,000 farm homes with pressure water systems (highest in Canada)
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# Iron Ore Opens Up a New Frontier

## *Shipment of 5 Million Tons Expected During 1955*

In the vast blankness of Labrador, 1954 was the payoff year for one of the most daring mineral development undertakings in Canada's colorful mining history.

Potentially one of the richest mineral-producing areas in the world, the Quebec - Labrador frontier has now been opened to civilization. By 1957, Quebec-Labrador is expected to be supplying at least 10 million tons of iron ore a year to support the economic expansion and military defense of North America.

Full extent of the Labrador-Quebec deposits have not been determined, but explorations continue. The 44 ore bodies proven to date are known to contain at least 417 million tons of excellent quality (59.5% iron) ore.

During 1954, Iron Ore Co. of Canada opened its 360-mile railway running north from St. Lawrence River at Seven Islands to deposits at Knob Lake. During the relatively short shipping season that remained after the July opening, 1,781,000 tons of ore were shipped into steel mills of Atlantic Coast and Great Lakes area. It is expected that about five million tons of iron ore will be shipped during 1955. By 1957, the big project should be capable of supplying at least 10 million tons of ore a year.

But with completion of the St. Lawrence Seaway, an economic market is seen for at least 20 million tons of Quebec-Labrador iron ore a year. Expansion of capacity by the company to this level is said to be quite easily accomplished at a relatively small cost compared to initial capital expenditures. Already, an eventual production rate of 50 million tons a year is predicted.

Most important achievement of the great project was the building of the Quebec North Shore Railroad and its completion 1½ years ahead of the original schedule. The tracks were pushed through barren wilderness all the way, climbing steadily in extremely rugged country. A 2,250-ft. tunnel was carved out 12 miles north of Seven Islands, followed by a 70-ft. bridge across River Moisie. Thirty miles from the northern end of the line, a combination bridge and dam 1,100-ft. long was thrown across at Menihek.

### Cost Nearly $250 Millions

Iron Ore Co. of Canada was formed by a group of U. S. steel companies including Armco Steel Corp., Hanna Coal & Ore Corp., National Steel Corp., Republic Steel Corp., Wheeling Steel Corp. and Youngstown Sheet & Tube Co. in association with M. A. Hanna Co., Hollinger Consolidated Gold Mines Ltd., Hollinger North Shore Exploration Co. and Labrador Mining & Exploration Co. Operations are managed by Hollinger - Hanna Ltd. equally owned by Hollinger Consolidated and the M. A. Hanna Co. for a fee of 10c per ton on all iron ore and specialties sold by the corporation.

Finances needed to complete the entire project, including initial production expenses have amounted to nearly $250 millions. Of this, the railroad and its equipment cost more than $140 millions.

The railroad cost more to build per mile than was originally predicted, because there were no accurate yardsticks for the first estimate. Construction details are impressive: 17 bridges were built, aggregating 4,180 ft. and a total of 83,189 ft. of culverts were constructed. Eventually, nine trains a day, each with 100 cars carrying 85 tons of ore per car will be running on the railroad. Top speed will be 40 mph and the run will take about 16 hours.

During construction, one of the world's largest civilian airlifts was operated—Hollinger-Ungava Transport Ltd. carried 138,700 passengers and 170,343,000 lb. of freight.

Terminal facilities at Seven Islands are able to load 30,000 tons of ore aboard ships every five hours. This setup now includes a railway classification yard big enough to handle 800 cars, a 1,600-ft. dock, a car dumper, ore storage yards, blending bins and a screening plant.

One of the last phases of the giant mining project to be completed was the recent opening of 12,500-hp. hydro-electric power installations on the Ashuanipi River. Other power installations include a 10,000 hp. plant at Menilek and a 25,000-hp. plant on the St. Marguerite River which has been built in association with the Gulf Pulp & Paper Co.

First ore recovery is being made from Mine Ruth No. 3 deposit right next to the main railway line. A dock is now being constructed at Montreal where trans-shipment from the large ore carrier to smaller inland vessels will take place, prior to seaway construction.

Ungava has attracted many other active iron ore exploration companies. The area has many advantages. Ore is accessible—it virtually lies on the surface, much of it at tide water. Also, most of the ore goes down for at least 300 ft.—enough to ensure open pit operations for many years. The supply of hydro power in the region is almost unlimited.

One group, Consolidated Fenimore Iron Mines Ltd. has carried out extensive exploration in the area and is now claiming close to a billion tons of reserve. These properties controlled by Cyrus Eaton interests — Atlantic Iron Ore Ltd. and International Iron Ore Ltd. — are situated on the west side of Ungava Bay.

# New Production Records Ahead For Quebec Mines

(Continued from page 40)

illustration of the difficult operational and economic problems that the mining industry has had to face.

One of the major hurdles has been transportation. Now, it appears that a dream of years will become a reality—the construction of a CNR railway is in hand, due for completion in 1956. It will mean substantial savings through shipping concentrates by rail instead of truck, as at present. It has been predicted that rail freight will reduce costs by more than one third. A regular freight volume is gradually building up to make the area attractive for a railway which has been promised by the Federal Government.

The line will extend 200 miles from Beattyville to Chibougamau, passing through a zone of volcanic and sedimentary rocks of Temiskaming subprovince, which is attractive as a potential area for occurrences of ore minerals.

This line via Barraute to the Noranda smelter will reduce by one half the distance via Lake St. John.

The first producer, Opemiska Copper Mines, swung into operation in December, 1953. Three other operations at present form the backbone of the development. They are Campbell Chibougamau Mines, Ltd., Merrill Island Mining Corp. and Chibougamau Explorers, Ltd. Campbell is expected to come into production with its 1,700-ton mill when power is made available to the area this spring. Chibougamau Explorers is building a 500-ton mill for its big gold-copper mine.

A highway, from St. Felicien, in the Lake St. John district, to Chibougamau, was opened in 1952. It is 150 miles long and cost $4 millions. Because some of the properties are widely separated from one another, secondary roads have had to be built linking them to the highway. All these are standard roads with a 24-ft. graveled roadbed. In one case a causeway of 3,500 ft. was built to connect Merrill Island in Dore Lake to the mainland. With year-round access to Chibougamau, developing companies find operational costs are going down.

### Titanium Project

A major item last year was the discovery of means to treat titanium oxide to produce titanium metal. This resulted from work by Shawinigan Water & Power Co. on one of the most ticklish metallurgical problems ever undertaken in this country.

If the process proves economical it should give a big lift to Canadian industry generally. Titanium is described as "wonder metal" because of lightness and great strength.

Canada is fortunate in having vast deposits of ilmenite—a titanium ore— at Allard Lake, some 400 miles northeast of Quebec City. These have been described as the world's largest. Reserves are indicated at 137 million tons, running about 35% titanium oxide and 40% iron.

A $12-13 million smelter has been built at Sorel, Que., by Quebec Iron and Titanium Corp. to treat the ore. Sorel is on the south shore of the St. Lawrence about half way between Montreal and Trois Rivieres.

With an eventual capacity of 350,000 tons of ore per year, the smelter will consume tremendous power in the largest electrical furnaces of their type in the world. Each can treat 300 tons of ore per day.

This process of treating ilmenite ore is exceedingly complex. It gives two products: pig iron, and slag containing 70% titanium oxide. The slag is used by Shawinigan in its experiments.

Among chief engineering developments in the field of nonmetallic industrial minerals have been:

—Construction of the $12-million cement plant at Villeneuve, east of Quebec City, by Swiss-owned St. Lawrence Cement Co. The tentative production date is Sept. 1, 1955. It will have an annual capacity of 1.5 million bbls., or six million bags.

—A phosphorus plant at Varennes, between Montreal and Sorel on the south shore, came into production last year. The eventual capacity of the plant will be from 35 to 50 million pounds of phosphorus annually, using imported phosphate rock from Florida as raw material and domestic quartz as flux.

A sulphur-iron sinter plant in Welland, Ont. for the treatment of Noranda pyrite using a new process developed by the company. The reserves of pyritic ore at Noranda mine exceed 100 million tons. Noranda has also decided to put into production MacDonald mines where reserves of pyritic ore are estimated at nine million tons.

—Canadian Refractories Ltd., has built a plant at Marelan, 13 miles south of Kilmar, with a daily capacity of 200 tons of refractory bricks.

One of the great future hopes in the province is to discover oil. Imperial Oil began a hunt for it this summer, exploring some 600,000 acres in blocks along the south shore of St. Lawrence River between Montreal and Quebec. No drilling will be done until results of other investigations are fully analyzed.

Exploration for oil is still under way in Gaspé. Gaspé Oil Ventures Ltd and its subsidiary and associated companies have been working for some years in this area. Various showings have been turned up, seepages have been noted in a few places, but the company has not yet come up with any commercial production. Drilling of several wells has been under way on four different structures.

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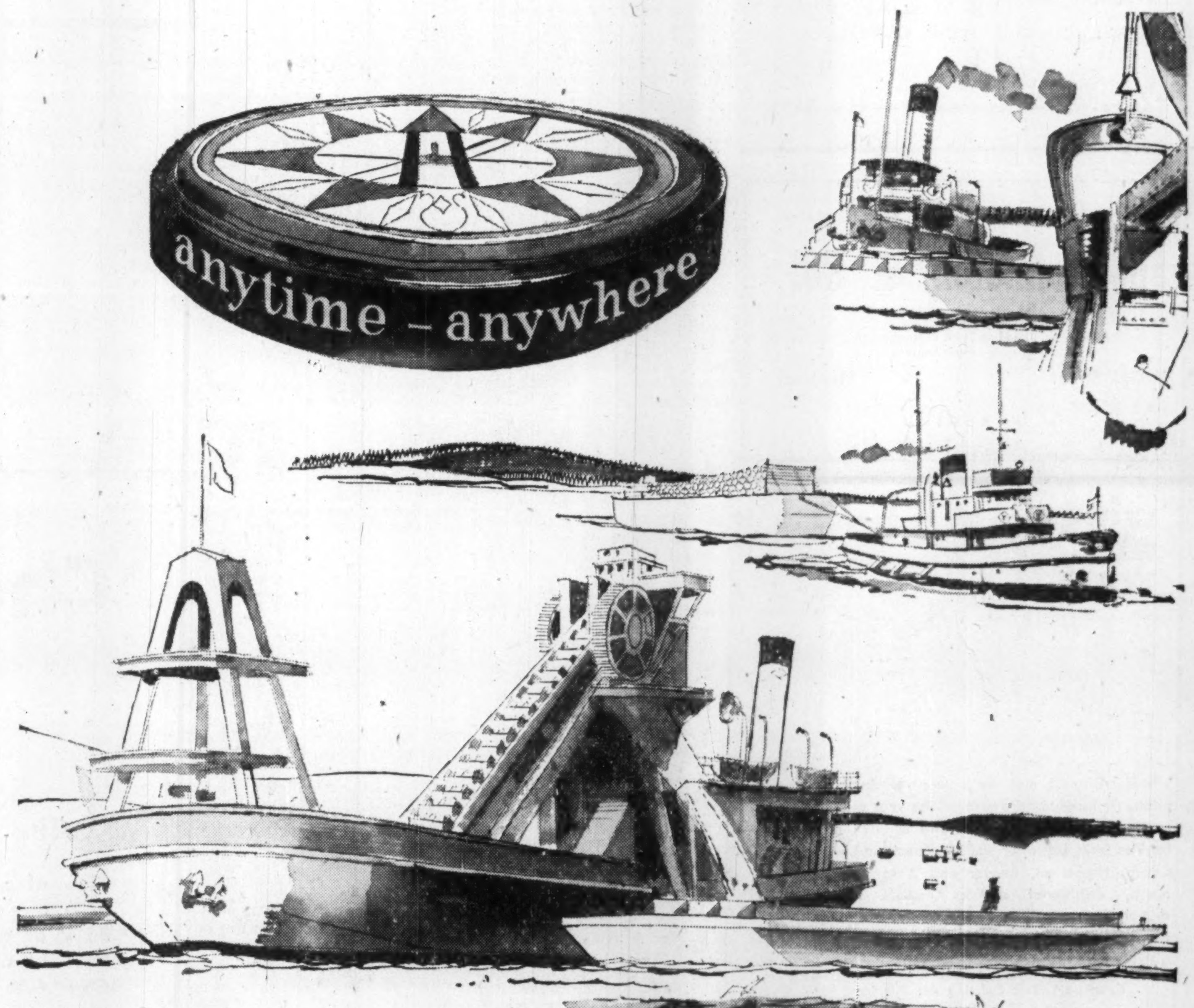

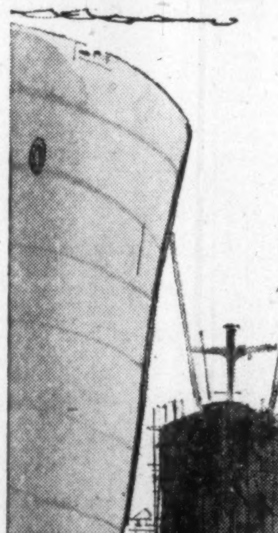

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# Quebec Sets New Farm Output Marks

## *Livestock and Dairy Products Lead Farm Cash Income*

The agrarian economy that was Quebec is gradually being replaced by a busy manufacturing machine which turns out a lengthening list of industrial products.

But that does not mean the importance of the Quebec farmer and his work has in any way been reduced. With all the advantages of modern machinery to multiply his efforts, he remains the economic backbone of the province.

Many new records were set by French Canadian farmers in 1954, and, points out Quebec Department of Agriculture's Secretary Pellerin Lagloire, "Agriculture in our province is thriving in spite of some impediments during 1954."

Quebec farmers' pockets bulged with $387 millions in 1953. Last year's farm income is believed to be up, although final figures are not yet available. At the end of September, farm cash income amounted to $301 millions as against $277.6 millions for the similar period of 1953.

Significance of figures comes into perspective, when compared with prewar yields. The 1953 results, were up almost 40% from the best year before 1939.

During 1954, a total of 5,526,100 acres were under cultivation in the province. This figure compares with 5,525,525 in 1953. Largest planting was hay with 3,644,000 acres, followed by oats with 1,371,000 acres. Mixed grains accounted for 209,000 acres and there were 92,000 acres of potatoes and 76,500 acres of fodder corn planted. Other cultivation consisted of wheat, barley, rye, buckwheat, peas, beans, field roots and sugar beets. While weather conditions were not too favorable for the farmers during the 1954 growing and harvesting season, hay broke new records with a yield of 6,559,000 bushels as against 5,201,000 bushels in the previous year. Other yields were down considerably, especially in oats, with 34,275,000 bushels as against 42,780,000 in 1953.

### Upward Trend

The province's agricultural production has shown a steady upward trend since 1932, but some labor shortages have been experienced, because of the historic shift in population from rural to urban areas. Today however, because of the high and increasing cost of city life and the growing shift of small industries into rural areas, more Quebeckers are staying on farms.

An estimated $23 million is being spent every year on the mechanization of Quebec farm equipment. Horse population of provincial farms has been diminishing at an accelerating rate.

During 1954 some 6,634 miles of new power lines were carrying power to 72,000 rural families which have been "hooked-up" since the war. Power companies have completed 10,475 miles of rural electric power lines since 1945.

This electrification has meant a new market for refrigerators, washing machines and other appliances, which have significantly raised living standards on the Quebec farm. The average French-Canadian farmer is not a specialist and raises field crops as well as carrying out dairy, livestock and poultry operations whenever possible.

The Quebec farm cash income dollar is roughly divided between livestock (40c) dairy products (25c) forest products (10c) poultry and eggs (10c) field crops (3c) fruits and vegetables (3c), with the balance divided between maple products, tobacco, fur farming, clover and grass seed, fibre flax, wools and honey.

It is estimated that some 50,000 farmers supplement their income in the winter by cutting wood.

### More Livestock

Significant increases were shown in the amount of livestock on farms during 1954. There were 1,990,000 cattle as compared with 1,919,800 in 1953. The hog population numbered 1,051,000, as against 867,000 in 1953. Sheep and lambs numbered 363,000 as against 360,000. On June 1, 1954, it was estimated there were 204,000 horses on Quebec farms as against 218,000 on the same date in the previous year.

Percentagewise, the farm livestock population shows a 3.7% increase in the number of cattle, a 21.2% increase in the number of hogs, a 6.3% decrease in the number of horses and a slight increase in the number of sheep and lambs.

1954 also saw record volume in all sections of the poultry industry. Total egg production on Quebec farms during the year is estimated at a little over 60 million dozens, which is close to 23% more than in the previous year. Close to half a million turkeys were raised — up 2.8% from 1953, and 375% from 1946.

It is estimated that approximately 80,000 farms are interested in poultry while close to 3,000 now raise turkeys.

The value of dairy products was also higher with 120 million lb. of butter worth $71 millions being produced, as against 112 million lb. worth $65 million produced in 1953. Some 14 million lb. of cheddar cheese worth $4 millions were processed as against 10.7 million lb. worth $2.9 millions in 1953.

Production of fruits was also higher in every category. Some two million bu. of apples were picked as against 1.7 million in 1953, 8.5 million quarts of strawberries against 4.5 million in 1953, 350,000 quarts of raspberries against 300,000 quarts and 19,702,040 lb. of blueberries against 12,651,392 lb. Value of these fruit crops have been estimated at 22% less than in 1953. The average price paid to pickers during 1954 was 10c a lb. as against 20c in 1953.

Total value of maple products produced in Quebec during 1954 was $9.8 million as against $6.7 million in 1953. Production amounted to 1.1 million lb. of sugar and 2 million gal. of syrup. Average price paid to producers was $4.60 per gal. as against $3.69 in 1953. Average price of sugar was 44c a lb. compared to 39c in 1953. Total 1954 value of maple products represents an increase of 46% from 1953.

The honey crop was up 30.3% and its value showed an increase of 36.1%. Some 3,874,000 lb. of honey were produced as against 2,972,000 in 1953, value was $795,600 as compared with $584,400 in the previous year.

Quebec co-operative societics had a good year in 1954. There are some 650 chapters with over 65,000 members. Their total sales amount to $125 million a year and products handled include livestock, eggs, milk, potatoes, flax, hay, and fruits.

### Helping Farmers' Sons

The Quebec Farm Credit Bureau, which provides long term loans at low interest for purchase of farms and establishment of sons on farms in Quebec, had another busy year. Loans are granted at 2½% interest to be amortized in 39½ years.

Between 1937 and 1954 the Bureau has made 430,680 loans for $114 millions. Approximately 18,000 young men have been permanently established on farms.

Agriculture schools in the Province of Quebec are divided into University courses, secondary schools, regional schools and orphanages. There are four University courses — at Laval, University of Montreal, McGill, and the Provincial Veterinary school at St. Hyacinthe. All these are four-year courses carried out by institutions affiliated with the universities. There are also nine secondary schools, 10 regional schools and six orphanages.

Quebec has a very active Department of Agriculture which includes a Secretariate and a Research Council as well as a Dairy Industry Commission. The Department also runs the Deschambault provincial school farms to teach farmers the best methods of field and animal husbandry. An experimental sugar refinery is also operated.

The Department's technical activities include the supervision of 500 farmers, corps and 90 agricultural associations as well as 146 farm clubs with a total membership of 4,200.

Efforts are also directed toward increasing and improving farm crops by means of soil classifications, the use of chemical fertilizers, introduction of new varieties of grain and fodder crops. The Horticulture Service helps production and gives advice on growing of vegetables, fruits, tobacco, potatoes and other special crops. Other services include rural economics, rural engineering, animal health, home economics and handicraft.

This last service is designed to make rural life more attractive. It deals particularly with women living in rural districts and organizes farm women's clubs and teaches home economics by means of short courses and exhibitions. Provincial schools of handicraft are operated in Quebec and other areas.

## Value, Acreage of Crops

***Hay represented the boom crop in Quebec last year. Up on 1953 by about 1.3 bu. to make a new record, it was the notable exception among field crops. The latter, with unfavorable growing and harvesting weather a factor, were down in every other case, substantially so in the case of oats. Here are field crop figures from Bureau des Statistiques de Québec:***

| | Area under crop June 1 Survey Figures | | Total production Final estimate | |
|---|---|---|---|---|
| | 1953 | 1954 | 1953 | 1954 |
| **Crops** | acres | acres | bu. | bu. |
| **Wheat** | 11,100 | 11,300 | 241,000 | 215,000 |
| **Oats** | 1,380,000 | 1,371,000 | 42,780,000 | 34,275,000 |
| **Barley** | 56,500 | 53,100 | 1,582,000 | 1,115,000 |
| **Rye** | 2,700 | 2,800 | 55,000 | 39,000 |
| **Mixed grains** | 202,000 | 209,000 | 6,565,000 | 5,434,000 |
| **Buckwheat** | 41,200 | 45,100 | 997,000 | 857,000 |
| **Peas dry** | 3,300 | 3,700 | 55,000 | 52,000 |
| **Beans dry** | 1,000 | 1,000 | 17,500 | 14,000 |
| **Potatoes** | 100,000 | 92,000 | 16,600,000 | 11,592,000 |
| | | | (tons) | |
| **Hay, including alfalfa** | 3,637,000 | 3,644,000 | 5,201,000 | 6,559,000 |
| **Fodder corn** | 72,600 | 76,500 | 708,000 | 551,000 |
| **Field roots** | 11,100 | 10,600 | 86,000 | 69,000 |
| **Sugar beets** | 7,025 | 6,000 | 70,000 | 54,000 |
| TOTAL | 5,525,525 | 5,526,100 | | |

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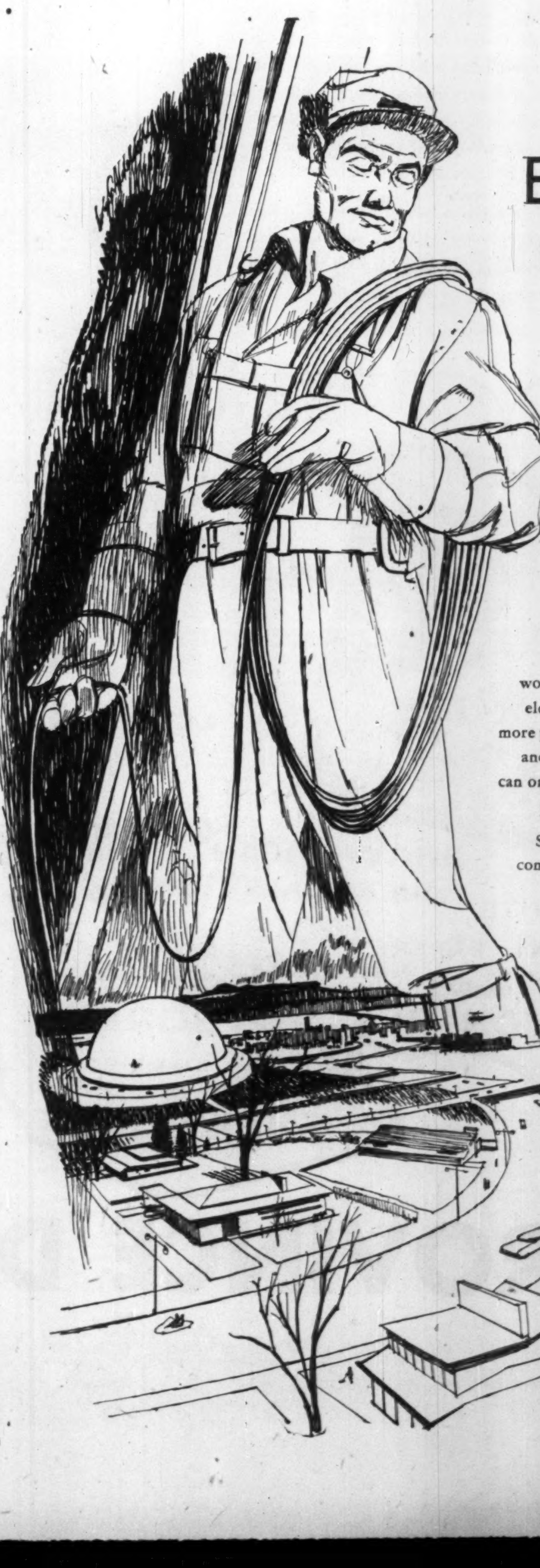

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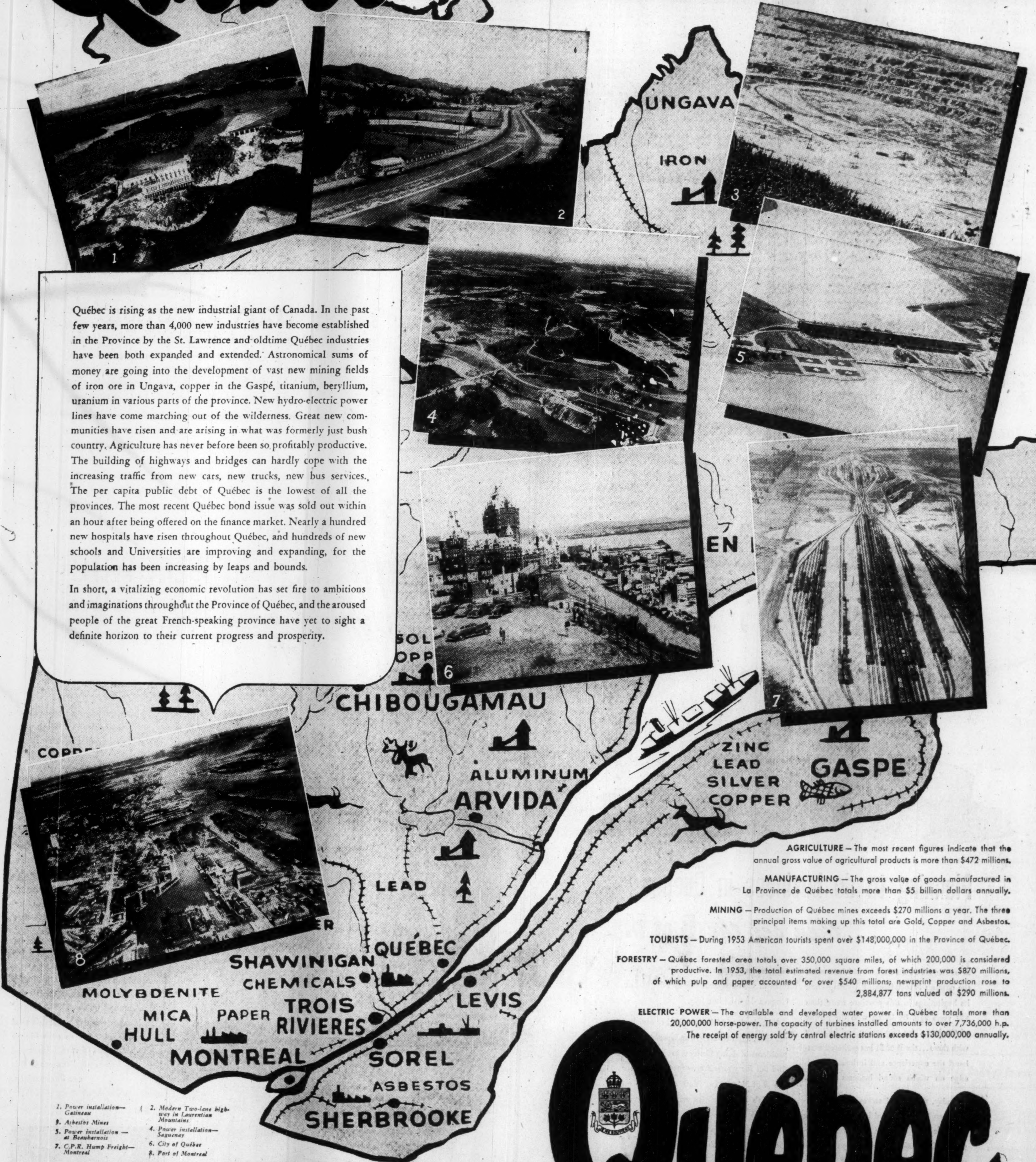
# Québec WHERE DREAMS ARE COMING TRUE!



Québec is rising as the new industrial giant of Canada. In the past few years, more than 4,000 new industries have become established in the Province by the St. Lawrence and oldtime Québec industries have been both expanded and extended. Astronomical sums of money are going into the development of vast new mining fields of iron ore in Ungava, copper in the Gaspé, titanium, beryllium, uranium in various parts of the province. New hydro-electric power lines have come marching out of the wilderness. Great new communities have risen and are arising in what was formerly just bush country. Agriculture has never before been so profitably productive. The building of highways and bridges can hardly cope with the increasing traffic from new cars, new trucks, new bus services. The per capita public debt of Québec is the lowest of all the provinces. The most recent Québec bond issue was sold out within an hour after being offered on the finance market. Nearly a hundred new hospitals have risen throughout Québec, and hundreds of new schools and Universities are improving and expanding, for the population has been increasing by leaps and bounds.

In short, a vitalizing economic revolution has set fire to ambitions and imaginations throughout the Province of Québec, and the aroused people of the great French-speaking province have yet to sight a definite horizon to their current progress and prosperity.

**AGRICULTURE** — The most recent figures indicate that the annual gross value of agricultural products is more than $472 millions.

**MANUFACTURING** — The gross value of goods manufactured in La Province de Québec totals more than $5 billion dollars annually.

**MINING** — Production of Québec mines exceeds $270 millions a year. The three principal items making up this total are Gold, Copper and Asbestos.

**TOURISTS** — During 1953 American tourists spent over $148,000,000 in the Province of Québec.

**FORESTRY** — Québec forested area totals over 350,000 square miles, of which 200,000 is considered productive. In 1953, the total estimated revenue from forest industries was $870 millions, of which pulp and paper accounted for over $540 millions; newsprint production rose to 2,884,877 tons valued at $290 millions.

**ELECTRIC POWER** — The available and developed water power in Québec totals more than 20,000,000 horse-power. The capacity of turbines installed amounts to over 7,736,000 h.p. The receipt of energy sold by central electric stations exceeds $130,000,000 annually.

*1. Power installation—Gatineau*
*2. Modern Two-lane highway in Laurentian Mountains*
*3. Asbestos Mines*
*4. Power installation—Saguenay*
*5. Power installation—at Beauharnois*
*6. City of Québec*
*7. C.P.R. Hump Freight—Montreal*
*8. Port of Montreal*

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# The Financial Post

20 cents

Canada's National Weekly of Business, Investment and Public Affairs.

Vol. XLIX Twenty Cents an issue, Six Dollars a Year ★ Publication Office: Toronto, February 12, 1955 ★ Member of Audit Bureau of Circulations No. 7

## Heads Biggest Board

**Toronto's Board of Trade, largest in the British Commonwealth, has chosen 42-year-old David M. Woods as its new president. Also president of Gordon Mackay & Co., a drygoods wholesaling firm, Mr. Woods has been a member of the 6,000-member Board's council for seven years, on its executive committee for three.**

THE NATION'S BUSINESS

## We've Only Begun To Plug The Gaps

The House of Commons is at last beginning to give to national energy policy the attention it deserves. Mr. Howe has introduced the International Rivers Bill with a very clear explanation of the circumstances which make it essential for the Federal Government to take control over works on rivers which rise in Canada and flow into the United States.

In principle everything that Mr. Howe said was admirable. He stressed the duty of this generation to conserve hydro-electric potential for future generations. He pointed out the new possibilities inherent in diversions of river waters. He promised that the International Rivers Bill will give the Government "The authority to ensure that development and utilization of Canadian water resources will be carried out in an efficient manner."

So far so good.

What we now want is assurance that the Government will use that authority "in an efficient manner." There's certainly no sign yet of any adequate administrative machinery for the purpose. Mr. Howe introduced the bill, though responsibility for water-power policy lies in Mr. Lesage's Northern Affairs Department.

The chief witness before the External Affairs Committee—which, as The Post has urged, is to examine the bill—will be General McNaughton, Chairman of the Canadian section of the International Joint Commission. It is right that General McNaughton should be the expert on water-power problems. But that he should be the only outstanding expert on all their policy ramifications—as indeed, he is—shows how shockingly the Federal Government has neglected this whole problem.

River diversions, said Mr. Howe, will make possible a coordinated use of our various sources of energy. It's a pity indeed that there is no government machinery to apply such coordination.

One Commons committee is to investigate water-power legislation. Another is to investigate atomic power possibilities. Gas pipelines again are being assessed by other minds.

Behind Mr. Howe's reassuring words about coordination and efficiency lies an administrative vacuum. Two or three overworked people in his own department are trying to keep abreast of the whole range of water and gas problems. The technical experts on both subjects are stranded in other departments, largely leaderless and unheard.

Atomic energy problems are handled—and efficiently handled—by Atomic Energy of Canada Ltd. under its president, W. J. Bennett. General McNaughton fortunately has taken hold of the water-power situation firmly enough at least for the present bill to have been produced. But until the administrative vacuum on energy policy is filled, Mr. Howe would be well advised not to talk too much about coordination and efficiency. All that has been proposed is a measure to plug some of the gaping holes in the nick of time.

* * *

### The Kind Of House We Want

Ottawa acted wisely in abandoning the nine-year-old maximum price for new houses financed under the National Housing Act. For a short time, as almost invariably happens when long continued controls are lifted, there may be a rise in prices.

We saw this when certain restrictions were removed after the war and again when meat rationing ended in Britain last year. But in the end supply and demand will determine prices and while governments with various devices may interfere for a time with that economic law they cannot hope to do so permanently.

Actually in this price control on new houses, as in control of rents, prolonging the measure beyond the emergency period could hurt our development seriously. We could make houses so unprofitable to build that not nearly enough of them would be built. We could, and there was some evidence of this in recent years, build houses so skimpily that the new owners would soon find them uncomfortably inadequate.

Drive through almost any NHA developments and one will see bedrooms, garages, bathrooms and other additions being made. It would have been far cheaper and for appearances sake, far better, had this extra capacity been provided in the first place.

Now there will be more encouragement to build the kind of houses people want and need, rather than the kind that becomes too cramped as soon as the second baby comes along.

* * *

### More Than Taxes To Discuss

Very soon Prime Minister St. Laurent is committed to consult the provincial premiers about the calling of a federal-provincial conference. Because of the Quebec tax deal, it could come earlier than previously indicated. But in any event a meeting well before the end of this year would be necessary to start working on a successor to the present tax rental agreements which have only two more years to run. The actual date of such a conference, however, is less important than its subject matter.

Tax relations between Ottawa and the provinces must, of course, be the main order of business. But there are some who would restrict the conference to that one subject. That would be to miss a great opportunity.

Some of the provinces probably would like to talk about the division of responsibility for the unemployed. If so, Ottawa has no excuse for refusing. There are many other matters of mutual concern, too, including the co-operative development of our natural resources. These problems are not likely to be solved by shouting from a distance. If federal and provincial authorities are determined to quarrel, let them do it in private around a conference table. This would at least give them a chance of discovering that it was rather silly to quarrel.

## Five-Year Plan Aims At New Oil Markets

### Five North American Areas Are Pin-Pointed As New Markets For Canada's Climbing Oil Production But Three Of Them Will Be Tough

By W. L. DACK

Canadian Crude Oil Market Potentials

(Barrels Daily)

| | 1955 | 1960 |
|---|---|---|
| British Columbia .... | 49,000 | 58,000 |
| Puget Sound area .... | 104,000 | 132,000 |
| Prairies ............. | 118,000 | 155,000 |
| Lakehead ............ | 211,000 | 243,000 |
| Michigan-Ohio ...... | 366,000 | 426,000 |
| Ontario .............. | 114,000 | 189,000 |
| Quebec (Montreal) ... | 168,000 | 205,000 |
| Maritimes* ........... | 18,000 | 42,000 |

*Only remote chance of prairie oil ever becoming competitive in this market.

In the competitive, fast-changing world oil marketing picture, petroleum experts are now pretty well agreed on the best market bets for Canadian oil over the next five-year period.

They have stuck bright red pins in the five big North American market areas that promise the best potential for Canadian surplus oil over the next few years.

Without major upsets, two of the areas look pretty well "in the bag," could add up to close to 200,000 barrels daily additional market by 1960. They are:

—The Puget Sound area of Washington state. Prairie crude can now comfortably meet all competition in this potential 100-132,000 b/d market; adjusting for comparable crude qualities it can lay down around 11c a bbl. under California crude, 18c under Middle East, 36c a bbl. under Venezuelan. Although there'll only be a refining market of some 85,000 b/d by year-end, it is expected that additions to refining capacity will boost total refinery requirements to 132,000 b/d by 1960.

—The current 50,000 b/d portion of fast-growing Ontario market currently being supplied by Venezuelan and Middle East crude, refined in Montreal and transported into Central and Western Ontario via a products pipeline.

This much additional refinery capacity is almost certain to be built in the Toronto-Sarnia area over the next two or three years.

These two new markets coupled with the natural 6% a year growth in the presently served Canadian market, should add up to an almost assured market for Canadian crude of at least 550,000 b/d by 1960—or a 36% jump from current rate.

#### Markets Fignt Ahead

But the oil experts forecast we will have found a lot more oil by then; will likely have about doubled our economic production potential to around 1.1 million b/d. That means that we'll only be able to operate at around 50% of capacity by 1960, as against a current rate of between 65% and 70%.

In other words, marketing pressure for new outlets will likely have mounted sharply by 1960. At that time the industry will have to decide whether a sizeable wellhead cut would be justified, assuming little change in the world picture.

Long before that time though, producers will likely have turned their full attention to the three other most promising market areas: the Lakehead-to-Minneapolis market (estimated at around 243,000 b/d by 1960); the Detroit-Toledo area (426,000 b/d); and the Montreal area (over 200,000 b/d).

Oil officials agree these are going to be hard marketing nuts to crack. The areas are currently all adequately supplied through long-established marketing pat-

(Continued on page 3, col. 4)

## Who Wins Montreal Race To Build Ammonia Plant?

Construction of a multi-million dollar ammonia plant in Montreal area is being currently considered by at least four different companies, The Post understands.

The companies: Canadian Industries 1954, Ltd., Dow Chemical of Canada, Shell Oil Co. of Canada and recently formed Quebec Ammonia Co., headed by west coast industrialist Robert Campbell.

Which company finally builds the plant is anybody's guess at this time. The chemical companies have been locking at the project for a couple of years and two of them are known to be well along in final engineering and marketing studies.

Quebec Ammonia — the latest prospective builder—is now completing engineering studies on a 100 tons-a-day anhydrous ammonia plant that would serve the bulk of Quebec market and operate on heavy bunker oil.

The other three companies have all considered natural gas—piped in via the proposed trans-Canada gas pipeline — as the basic raw material. However, since the gas may not be available at an early date and at a competitive price, all have been studying other plans. There is little doubt that in the case of Shell Oil, refinery gases from its own Montreal East refinery would be used.

Preliminary marketing and engineering studies have indicated a pretty attractive proposition. With Quebec market now supplied either by imported U. S. ammonia or from one Sarnia plant, and freight rate charges running around $20 a ton (on an $88 a ton product) ammonia costs are well over $100 a ton in the Montreal area.

Production from a local plant would mean enough price reduction to expand markets substantially, it is thought.

In one of the most promising potential new uses, ammonia would replace lime or limestone in processing of sulphite cooking liquors for use in manufacture of sulphate pulp. Already two Canadian pulp and paper plants have shifted to this new process. Other important uses are in processing of other chemicals, explosives, fertilizers, refrigerants, etc.

### Watch For Bruce Hutchison In The Financial Post

Bruce Hutchison, distinguished author and journalist, is one of the nation's foremost authorities on political and economic affairs. He has a host of intimates in high places. Besides numerous short stories and articles, he is the author of "The Unknown Country" (winner of the Governor-General's Award), "The Hollow Men" and "The Incredible Canadian," a biography of the Rt. Hon. W. L. Mackenzie King.

Due to appear next autumn, his book, "The Struggle for the Border" (Longmans Green), is the dramatic and colorful saga of the long frontier that welds the U. S. and Canada.

Watch for Bruce Hutchison's column starting soon in The Financial Post. Enjoy his urbane style, his witty and penetrating comments.

## Can You Protect A Design?

### Present Law 'Waste of Time,' Commission Told

OTTAWA—Drafting of a new Industrial Design Act which would replace the present law and wipe out judicial decisions which have narrowed its usefulness was urged on the Royal Commission on Patents, Copyrights, Trade Marks and Industrial Designs this week.

Spokesmen for the Canadian Manufacturers Association, the Canadian Patent Institute, individual designers and one manufacturer appeared before the commission to stress the importance of protecting original design from copying and infringement.

The protection afforded by the present "Industrial Design and Union Label Act" was described as inadequate. A brief from the Canadian Manufacturers' Association complained that the act provides no definition of industrial design and does not make clear whether a design, to be registerable, needs to be new or original.

R. V. Jackson, Toronto patent lawyer, who submitted views on his own behalf and also on behalf of George Englesmith, Toronto architect and designer, said the usefulness of the present law had been impaired by judicial decisions which narrowed the concept of design to appearance. He contended design is related to function as well.

To illustrate the need for protection, Harold Lush, president of Supreme Aluminum Industries Ltd., of Toronto, told of his quarrel with the T. Eaton Co. He said his firm had invested upward of $100,000 in the design and tooling for a line of kitchen utensils which won the National Industrial Design Council award for 1954.

Following his refusal to sell the products to Eaton's at jobbers' prices, that company arranged for the production of a similar line by General Stampings at Oakville, Ont.

"It is obvious they simply bought a complete set of our merchandise and then had tools made to produce it," said Mr. Lush.

Chief Justice Ilsley, chairman of the Commission, asked Mr. Lush if he had registered his design. Mr. Lush said he had not because he had been advised the only protection possible was complete coverage of the market and efficient production. In the existing state of the law he thought registration was a waste of time.

The Lush story served to provide a practical example of what was involved in more theoretical presentations by Mr. Englesmith and Mr. Jackson.

#### Like Health

"Just as our national health is protected by the pure food laws so must the best interests of our national economy and culture be engendered by legislation making mandatory the consideration of good design in every product manufactured in Canada for sale at home or abroad," said Mr. Englesmith in a written submission.

Mr. Jackson said the consequence of lack of protection for design is "a growing acceptance of a policy of design piracy between manufacturers whose products depend for their commercial success on novel design features."

When it is possible to copy the designs of manufacturers in the U. S. and elsewhere as well as the designs of competitors in Canada, manufacturers would not spend money and effort in developing design.

Canada would get the reputa-

(Continued on page 3, col. 1)

## PRICES

(SEE ALSO TREND OF BUSINESS, P. 19)

**Cement,** which dropped in December, could decline again. Reasons: Foreign competition, hope that lower prices will boost volume sales.

**Eggs** firmer, with substantial exports to U. S., some to South America. Surpluses accumulated under price support in December have been cleared by Government. The exports — surprising to some — are welcome to producers and Government. Both have been worried by egg softness.

**Coffee** seems in process of slipping 7c-15c lb. retail following Brazilian decision to allow bean export price to drop to meet competition from Colombian and African coffees. U. S. chains cut 10c early this week, Canada began to follow.

**Steel** scrap up $4 ton, about 14%. Reasons: Improving U. S. scrap picture, more export orders, better steel business.

**Copper** could slip back 1c-3c lb. in 3-4 months, assuming settling of mine labor troubles, easing of current tight supply situation for both the metal and scrap.

**Copper chemicals** firm to 10% higher following higher copper prices.

**Fox fur** prices are better. Possibility: There may be a long-run world trend which will return Canadian fox to a principal position in the fur picture.

## Ottawa Studies New Plan For Gas Pipeline

OTTAWA (Staff) — The Government will not guarantee the bonds of the Trans-Canada Pipeline Co., as requested. (The Post, Jan. 22.)

Although no formal decision has been taken to this effect, the idea of a government guarantee has in fact withered away. It aroused widespread opposition in political circles (and on the Liberal side), and the Government's financial advisers found many objections.

This leaves the Government facing a choice which lines up this way:

—Either to trust to private finance to get the project going, even if this means losing all chance of construction starting this year.

—Or to take a more active part in the financing, which would involve a drastic overhaul of the suggested capital setup of the company.

Finance Minister Harris has not yet received a full report on the result of the investigation by departmental and Bank of Canada

(Continued on page 3, col. 3)

## U.K. and Western Europe Offset Export Drop to U.S.

OTTAWA (Staff) — Cheerful forecasts of Canadian export prospects for 1955 are supported by the trend which seems to have set in at the end of 1954. December exports, according to figures released by DBS this week, were only marginally below the record December of 1952, and well above 1953.

Looking at 1954 as a whole, the monthly figures ran below 1953 figures until November. November showed a modest increase over the year before. December showed a bigger one.

The 12-month figures for 1954 show that it was in fact a good year for export trade. The one big decline was in wheat, grains and flour. Apart from that, the over-all total was a little higher than 1953 in spite of lower sales to the United States.

Wheat and grain exports (including flour) were nearly $300 millions lower than 1953. This more than accounts for the 6% drop in total exports. Over-all, the rest of the commodity list export sales were about $55 millions higher.

Most significant of the other shifts in the pattern of exports is this: The United Kingdom, and to a lesser extent Western Europe, partly compensated for the lower sales to the United States.

Both the U. K. and Western European countries made up for their reduced grain purchases by buying more of other things. The U. K., for example, bought substantially more in the wood products group and in the base metals group.

As a result, in spite of the low wheat sales, the U. K. advanced its proportion of Canadian exports from 16% to 17% and the over-all decline in U. K. purchases was less than 2%, even with the low wheat figures included.

By contrast, sales to the United States declined in 1954 by 4½%. The November-December pickup did not show so notably for exports in that direction. December sales to the U. S. were still below 1953. To the U. K., they were $30 millions higher.

The slackness of U. S. demand last year showed up specially in base metals, non-metallic minerals, and in the farm group (where demand may have had less to do with it than import restrictions). The chance of a revival this year depends on the course of the U. S. economy itself.

Because wheat and grains form such an important part of Canadian exports and are directed almost entirely overseas. The U. S. share of Canadian exports last year actually increased a little, in spite of the decline in total. It was just under 60%, nearly 1% higher than 1953.

With both the U. K. and the U. S. taking a larger proportion of our exports, the rest of the world obviously dropped importantly. Much of this is due to wheat and grain, but not all. They account for most of the drop in sales to India and Pakistan, and for a smaller proportion of the drop in sales to South Africa.

A welcome factor was an increase in Canadian sales to both Australia and New Zealand.

Japan again took third place among our customers, with West Germany in fourth place, and Belgium and Luxemburg fifth.

## Algom's Plans Could Mean New Community of 10,000

Canada's great new Algoma uranium camp north of Lake Huron promises a tremendous new economic development.

This is clearly indicated by Algom Uranium's $206.9 million order for uranium from Eldorado Mining & Refining and $41 millions of production funds to be supplied largely from the United Kingdom.

The story of the king-sized production plans of Algom Uranium Mines is given in detail in a separate article on page 39.

This section, once in a "deadheart area" between Sudbury and Sault Ste. Marie, promises to have immense growth in the next few years. The very speed with which production plans are to be implemented means accelerated community growth.

Algom will place two mines in production with twin mills of 3,000 tons capacity each. At Quirke Lake, on the area's north belt, the mill is scheduled to be in production by mid-1956. The other mine, at Nordic Lake, is about 12 miles due south, and is to reach production about Jan. 1, 1957.

Between these two mines a new city will grow. It looks like a population of 10,000, could be more.

Algom expects to employ 1,600 men on a year-round basis. When dependents are counted, and people engaged in supply and related activities, the population will add up to a substantial community.

Actually, the new city may house more than Algom people.

Buckles Uranium expects to be a producer, Lake Nordic Uranium has cut ore grade down dip of Algom at Nordic Lake. Consolidated Denison is hoping enough ore will be outlined at its property to justify another mill of 3,000 to 4,000 tons a day capacity. All that could spell a big population.

There's going to be big business in that part of the country.

## Canada Gets Ready To Build Dew-Line

### Foundation Co. And Northern Construction Co. Get Contracts For Early-Warning Stations In The Arctic — Mammoth Air Lift Will Be Needed

By MICHAEL BARKWAY

OTTAWA (Staff) — Two Canadian construction companies are now leading an assault on the Arctic which dwarfs anything ever before attempted in the Canadian North.

They are prime contractors for the chain of electronic warning stations known as the D.E.W. (distant early warning) line.

This chain of stations is to be built, in the words of the official statement, "in the most northerly practicable part of North America." It will stretch right across the Canadian Arctic. Stations will be installed in regions where nothing more complex than a dog-team has ever penetrated, and on sites which are completely unknown.

Detailed choice of sites will depend upon an aerial survey, due to start in a few weeks. It also has been entrusted to a Canadian company.

A mammoth air-lift to take materials and supplies into northern distribution points is being organized by Canadian air-carriers. Big multi-engined freight planes are being imported to supplement existing fleets, and the carriers have agreed to co-operative arrangements whereby they can pool their resources.

The air-lift will be supplemented, where necessary, by the United States Air Force. A heavy sea-lift to both eastern and western Arctic is also being organized by the United States, and will probably be entrusted to the Navy.

Here are Canada's three prime contractors:

—For construction of the eastern half of the line: The Foundation Co. of Canada of Montreal.

—For construction of the western half of the line: The Northern Construction Co. of Vancouver.

—For the aerial survey for site selection: Spartan Air Services Ltd., of Ottawa.

Contracts are with the Western Electric Co. of the U. S. which is management contractor for the U. S. Air Force. Close control of the whole project, including subcontracts, is exercised from Western Electric's project office in New York under the supervision of the U. S. Air Force.

#### Big Air Lift Ahead

Most immediate problem is to move in the mass of materials and equipment which will be needed for this unprecedented construction effort. The open season for supply by sea is only a few weeks in high summer, and the air lift has to be concentrated in the months before break-up.

Thousands of tons have to be air-lifted in the next few months, and Canadian air-carriers are preparing to take the greater part of it. Under supervision of the Western Electric Co., the two Canadian prime contractors will each let "air-lift subcontracts." Other carriers with suitable equipment will then back up the contractor.

In the East, Foundation Company's main air contractor will be Maritime Central Airways Ltd. of Charlottetown.

In the West, Northern Construction's contracts will be with Associated Airways of Edmonton and with Canadian Pacific Airlines. Responsibility for the lift will be divided according to route.

Several other air carriers, specially in the West, are expected to join in with MCA, CPA and Associated Airways.

A number of British Yorks and some U. S. C46s will be added to Canadian fleets to carry the heavy traffic promised. A sign of the times is the advertisement which Maritime Central Airways has been running asking for "qualified pilots experienced on medium and heavy multi-engined aircraft."

#### Move Some By Ships

Some of the equipment to be lifted may be too big for any of the Canadian carriers, and with their best efforts they will not be able to move all the volume needed. But if the lift gets going soon enough and supplies come smoothly forward to the take-off points, it is hoped that the Canadian carriers can carry about 80% of it. The rest will be lifted by the U. S. Air Force.

Canada will take no comparable part in the sea-lift, though in the West it will move as much as possible by the Mackenzie River route. Northern Transpor-

(Continued on page 3, col. 2)

## Inside News

**PROVINCIAL BUDGETS** are in the news. For Quebec's view, see p. 13. B. C. budget p. 33.

**CHANGES NEEDED** in succession duties acts? ..... p. 30.

**ALGOM'S** big financing deal may mean world's biggest uranium mine ......... p. 39

**DOSCO's** 20-year plan is paying off in a world-wide comeback ..................... p. 21.

**WHAT'S WRONG** with federal sales tax? Time for a change, say the experts ....... p. 17.

**FROM GLACIERS** to frozen foods: how refrigeration and air conditioning make your life easier, save you money ................ pp. 22-26.

## Steel Scrap Market Firms

The steel scrap market has firmed sharply in recent weeks reflecting the improved scrap position in U. S., fairly large export orders and the current upswing in steel production.

A recent price hoist has boosted most scrap grades by $4 a ton. This followed a previous $2 a ton increase effective Jan. 11. For almost two years now Canadian steel mills have been only intermittent purchasers of steel scrap, preferring to live mainly off scrap inventories. Recently Steel Co. of Canada has come back into the scrap market again. The other steel mills, however, are still pretty much on the sidelines.

During the sharply reduced domestic scrap demand throughout most of 1954, the export market was cultivated to a greater extent and a 30% boost in steel and iron scrap shipments helped considerably overcome the slow domestic market.

## Stock Market Highlights

### Industrials

**Paper stocks** among more prominent losers in market drop Tuesday; International Paper (down $2¼ to $86½), Minnesota & Ontario (down $1⅜ to $53⅝), St. Lawrence Corp (down $3 to $66), Great Lakes (down $1¼ to $32).

**Drops also** in firms with defense links like General Dynamics (down $2½ to $94½), Canadian Vickers (down $1¼ to $37) and Aluminium Ltd. (down $1½ to $75½).

### Mines

**Algom Uranium** sells up to all-time high of $17, up about $1, on news of $41-million financing deal with U. K. Rio Tinto Co., but reacts later as mining market turns lower reflecting concern over Russian situation.

**Gunnar Mines** moves up sharply to sell at new all-time high of $16½ on news of anticipated higher profit level as outlined in last week's Post. Later sells below $15.

**Giant Yellowknife** counters adverse market trend Tuesday to record 35c gain to $7.15 a share.

**Gaspe Copper** proves firm spot on mining market, selling up $1 a share to new 1955 high of $22 a share.

**Consolidated Denison** sells as high as $2.95 a share early this week as No. 5 hole "clicks," but reacts later when general market moves lower.

Here's an overcoat which becomes a topcoat in a flash . . . just zip out the warm polo lining! With or without its liner, these fine English wool gabardine coats are handsome and comfortable. The shower-resistant fabric offers splendid protection against the wind and cold. In sand, grey or navy.

**Coats with a double life!**

EATON'S OF CANADA

Shawinigan Water and Power Rights

We have prepared a memorandum stating our reasons for advising holders of The Shawinigan Water and Power Company shares to exercise their rights.

*Copies will be sent on request*

Greenshields & Co

507 Place d'Armes, Montreal

Montreal Ottawa Quebec Sherbrooke Toronto

**BLUEGRASS RAYMOND MINES** reports an area of approximately 40 ft. by 30 ft. has been fairly well exposed east of the original strong showing by use of a bulldozer. To date only a quite high geiger background count has been obtained from the surface stripped, Gordon Moore, consulting engineer, reports. A program of work has been organized to strip the area enclosing the original trench and the area to the west where high Scintillometer readings were secured.

The

British Mortgage and Trust Corporation of Ontario

STRATFORD

Balance Sheet, December 31st, 1954

ASSETS

| | | |
|---|---|---|
| CAPITAL ACCOUNT | | |
| Office premises | $ 44,204.59 | |
| Mortgages; principal | 1,566,168.20 | |
| Government bonds; principal | 435,899.38 | |
| Canadian municipal bonds; principal | 24,461.80 | |
| Stocks | 223,425.00 | |
| Cash on hand and in bank | 129,910.37 | |
| TOTAL CAPITAL ASSETS | | $ 2,424,069.34 |
| GUARANTEED TRUST ACCOUNT | | |
| Mortgages and agreements for sale; principal | $14,298,716.27 | |
| Government of Canada bonds; principal | 2,468,109.34 | |
| Provincial government bonds; principal | 369,350.98 | |
| Canadian municipal bonds; principal | 21,185.62 | |
| Cash on hand and in bank | 149,928.11 | |
| TOTAL GUARANTEED TRUST ASSETS | | $17,307,290.32 |
| ESTATES DEPARTMENT | | |
| Estates, Trusts and Agency Funds | | $ 1,038,810.62 |
| | | $20,770,170.28 |

LIABILITIES

| | | |
|---|---|---|
| CAPITAL ACCOUNT | | |
| Capital stock fully paid up | $ 1,000,000.00 | |
| General Reserve Fund | 1,200,000.00 | |
| Profit and Loss credit balance | 104,254.82 | |
| Estimated balance of income tax payable | 58,632.04 | |
| Dividends payable January 3rd, 1955 | 60,000.00 | |
| All other liabilities | 1,182.48 | |
| TOTAL CAPITAL LIABILITIES | | $ 2,424,069.34 |
| GUARANTEED TRUST ACCOUNT | | |
| Guaranteed Investment Receipts | | |
| Principal | $10,010,712.37 | |
| Interest due and accrued | 99,186.74 | |
| | $10,109,899.11 | |
| Trust deposits; principal and interest | $ 7,197,391.21 | |
| TOTAL GUARANTEED TRUST LIABILITIES | | $17,307,290.32 |
| ESTATES DEPARTMENT | | |
| Estates, Trusts and Agency Funds | | $ 1,038,810.62 |
| | | $20,770,170.28 |

NOTE: Bonds and stocks are shown at book value which, in the aggregate, is less than market value.

L. M. JOHNSTON, *President*

W. H. GREGORY, *Vice-President and Managing Director*

## Announcing

**Ainsworth Electric Co. (Toronto)**—Harvey E. Naismith, assistant manager, Electrical Apparatus Sales Division.

**Aeromagnetic Surveys Ltd. (Toronto)** — John B. McLuskey, sales manager.

**Bendix-Eclipse of Canada Ltd. (Windsor, Ont.), New Aircraft Products Division** — J. F. Taylor, general manager.

**Bate Chemical Corp. (Toronto)**—G. H. C. Smith, President; W. B. Bate, chairman.

**Building Products Ltd. (Montreal)**—John E. Mitcham, secretary-treasurer.

**Canadian Bank of Commerce (Toronto)**—E. M. Gunderson, Vancouver, director.

**Canadian Johns-Manville Co. (Toronto)**—F. A. H. Gallop, vice-president and merchandise manager for building materials of Canadian Products Division.

**Canadian National Telegraphs (Montreal) eastern region** — R. B. Steele, general superintendent Eastern Region.

**Canadian Pacific Railway (Montreal)** — J. Norman Lennie, auditor ancillary operations, continues as comptroller, Canadian Pacific Steamships, Ltd.; G. Meredith Rountree, assistant to vice-president.

**Chrysler Corp. of Canada (Windsor, Ont.)**—C. O. "Syd" Hurly, director of sales.

**Cockfield, Brown & Co. (Toronto)**—Peter Charles and "Doc" Lindsay, account executives; Bryan Hayman and Stan Kent, to Creative Division.

**Commercial Life Assurance Co. (Toronto)**—F. J. Colgan, president; E. B. H. Shaver and F. G. Crawford, vice-presidents.

**Community Chest of Greater Toronto (Toronto)**—John H. Yerger, associate director.

**Dominion Atlantic Railway (Kentville, N.S.)**—John C. McCuaig, manager.

**Edwards of Canada Ltd. (Owen Sound, Ont.)**—R. Stafford Edwards, chairman; Robert H. Andrews, president.

**Fibre Products of Canada Ltd. (Brantford, Ont.)**—S. D. Band, director.

**Federal Department of Public Works, Harbors and Rivers Engineering Branch (Ottawa)** — Brig. Jean-Paul Carriere, chief engineer.

**General Motors of Canada (Oshawa)**—William E. Austin, public relations manager.

**Hilton Bros. Ltd. (Winnipeg)**—W. Roy Hilton, president.

**Household Finance Corp. of Canada (Toronto)**—T. Curtis, manager, new office, 1363 Queen St. West, Toronto; G. N. Lawless, manager, 2298 Yonge St., Toronto; J. J. Rogers, manager, new branch, Wallaceburg, Ont.; G. J. Whitney, manager, Leaside, Ont.

**Industrial Acceptance Corp. (Toronto)** — J. Y. Buchanan, regional sales manager, Western Canada.

**Johnson & Johnson Ltd. (Montreal)** — R. A. Johnson, field sales manager; L. M. Cook, Ontario Sales Supervisor, headquarters Toronto; R. V. Waller, sales supervisor, Quebec and Maritime provinces, headquarters Montreal.

**Luckett Loose Leaf Ltd. (Toronto)**—Gordon B. Lowe, director.

**Midland Securities Corp. (London)**—W. A. Stewart, resident manager, Montreal office.

**Motorola Sales Ltd. (Toronto)**—James M. Kind, manager, Montreal operations.

**Norman Wade Co. (Toronto)** — Lloyd E. Newth, executive vice-president.

**North American Life Assurance Co. (Toronto)** — W. M. Anderson, president; Norman S. Robertson, chairman; J. T. Bryden, vice-president and general manager; George Ryrie, vice-president and assistant general manager.

**Osborn and Lange-Grant Ltd., general insurance brokers (Montreal)**—Andrew G. Lange, president; A. W. Grant, managing director; Donald W. Paterson, secretary.

**Plymouth Cordage Co. of Canada (Welland, Ont.)** — Albert Nichols, Dartmouth, N.S.; James E. Thomson, Montreal; Robert Clegg, Toronto; J. T. Flewelling, Vancouver; district sales managers Maritimes, Quebec Province, Ontario, and Canada west of Fort William, respectively.

**Railway & Power Engineering Corp. (Toronto)** — R. J. Conrath, aviation manager.

**St. Lawrence Seaway Authority (Ottawa)**—Thomas Oliver Moorse, purchasing agent; G. Gilles Gouin, legal officer.

**Young and Rubicam (Montreal)**—L. E. Fickett and H. R. Jarman, account executives, Toronto office.

**Western Canada Association of Exhibitions**—C. B. McKee, Regina, president.

## Brazil Lowers Coffee Prices

Brazil gave up more ground in its fight to bolster coffee prices and Canadian consumers at midweek were beginning to benefit from retail reductions of up to 15c lb.

Western Canada led the way to lower prices in this country following U.S. chain store reductions of 10c lb.

Canada Safeway was reported to have cut its prices 12c-15c lb. in the West.

Prospect for Eastern Canada was one of prices 7-12c lower. The price slide was beginning. When the current adjustments are complete, Canadian coffee-drinkers will be buying coffee for 35c-45c lb. less than they were paying in July, 1954. At midweek, spot coffee prices for Santos 4s (a Brazilian coffee) in New York were running more than 35c lb. below last year's peak — down about 36%.

The Brazilian move represented the second major collapse in that country's effort to hold up bean prices. Earlier it had retreated from a coffee export price floor of around 87c lb.; this time it deserted a position which fixed minimum bean prices at about 64c. The reason: Supplies are too good to justify recent prices.

## *How and Why Uranium Policy Differs from United States*

OTTAWA (Staff) — Canadian uranium producers and investors can derive little comfort from the U. S. Atomic Energy Commission's advocacy of a "long term government buying policy."

The hint of further encouragement for U. S. prospectors and, even, of the possibility of stockpiling U. S. uranium for a power program was contained in testimony given last week by Jesse Johnson, chief of the Raw Materials section of the AEC to the Senate-House Committee on Atomic Energy.

It is not matched by any hint of similar Canadian action. In both countries the present guaranteed purchase ends in 1962. Beyond that, the conditions of uranium mining in Canada suggests that Canada's official answer may be the opposite of the U. S. answer.

The U. S. mines on the Colorado plateau are nearly all small deposits which are quickly worked out. It takes a very high rate of discovery to keep up with the rapid exhaustion of earlier finds. The known Canadian mines throughout the Canadian Shield — but specially at Beaverlodge and Blind River — all look like being long-lived, as Port Radium has been.

If the U. S. is to produce its own ores, it needs a continual program of prospecting and a steady rate of discovery. That is the nature of its deposits. If Canada develops many more big mines, the Canadian problem will be to find markets for its uranium after 1962 — specially if the United States insists on developing every last one of its minor deposits, as Mr. Johnson's statement seemed to indicate.

This is the rather cautious view of uranium prospects taken here.

### The U. S. Picture

The key point is that Mr. Johnson was not talking about the world uranium supply when he said that a high rate of discovery would be needed to maintain scheduled production levels. He was talking only about the U. S. domestic supply. He said that if prospecting were to stop now most of the known ore deposits would be exhausted by 1962. He meant the known U. S. deposits. And the whole implication of his statement, as read here and checked with Washington, was that the U. S. should make sure it had enough uranium from its own production to meet its power needs.

This suggests that, apart from military needs, Canada may have difficulty in finding a market in the U. S. for its spare uranium ores.

It is the military program which justifies the present price guarantee until March, 1962. Mr. Johnson was talking, as Canada's W. J. Bennett did two weeks earlier, about what the demand for uranium may be for power purposes alone. The future requirement for military purposes is anybody's guess. It may, as Mr. Bennett said, "continue at the present rate or cease altogether. Or it may continue on a reduced scale." (The Post, Jan. 29.)

But leaving aside the problematical military demand, what market will there be for uranium for power after 1962?

### Three Big Questions

The answer seen here depends on these three questions:

1. How fast will atomic power plants spread across the world? The price of uranium will have very little to do with the economics of power reactors. The thing which will determine their widespread adoption will be the capital cost of the reactors. In other words, the need for uranium as a fuel here and abroad will depend on the economics of power reactors not yet built.

2. How generally will power reactors adopt the "breeding" principle? Both the U. S. and the U. K. are experimenting with breeder reactors. If their experiments establish that this is the most economical form for an atomic power plant, then the need for uranium as fuel will be sharply reduced. Small quantities of highly enriched uranium will be used along with larger quantities of thorium.

3. What export market will Canada be able to capture? Assuming that atomic power plants are erected commonly around the world, assuming that many of them (at least) still use ordinary uranium rather than the breeder principle, will this make a sizeable market for Canada — or for somebody else?

This is a field in which the principles of free trade — or even of GATT — may be difficult to apply. There was a broad hint in Mr. Johnson's statement last week that the United States, at least, will be inclined to subsidize its own uranium producers rather than depend on foreign sources.

Canada, with its long-life mines just getting into production, will probably hesitate before it extends any purchasing commitment beyond the assured military demand: and so far that is assured no further than March 31, 1962.

## Canadian Firm Plans Chemical Plant in U. S.

St. Paul Ammonia Products Co. —a newly incorporated Canadian chemical company — plans construction of a $15 million ammonia plant near St. Paul, Minn.

Robert Campbell, Vancouver industrialist, heads a Canadian group planning a 200-ton-a-day plant for production of nitrate fertilizer and ammonia and nitrogen solutions for both agriculture and industry use. The new plant will serve the north central states region of U. S. where a rapidly growing market exists for nitrogenous fertilizers. Nearest ammonia plant is at Omaha, Neb.

Company plans to use natural gas purchased from a subsidiary of Northern Natural Gas Co. (the U. S. company seeking Federal Power Commission approval to import some 100 million cu. ft. of Canadian gas daily from an extension of the Trans-Canada gas pipeline to Emerson, Man.).

Auxiliary oil burning equipment will be installed to enable the company to switch to residual oil when gas—to be purchased on a low-cost interruptible basis—will be cut off. This is one of the chief reasons for locating the plant alongside the new $25 million oil refinery being constructed by Great Northern Oil Co.

Lummus Corp. of America has been awarded the contract to plan and build the plant. Completion of the plant in some 14 months is the tentative schedule.

## Cement Price Cut Helps Sales Push

MONTREAL (Staff) — Over-all demand for cement in 1955 should roughly equal that of 1954, J. M. Breen, president and general manager of Canada Cement Co., said here this week.

All C.C.C. plants operated at full capacity last year and production and sales were up moderately from 1953. However, shipments were "appreciably lower" in the first two months of the current fiscal year — December and January — from the corresponding period of 1954. This has resulted in a considerable increase in stocks at company mills.

Breen said the general price reduction put into effect Dec. 1 should encourage use of cement as a building material and also meet the threat of imports from abroad. (The annual report has estimated that the price reduction would cut cost of cement to customers by $1.8 millions this year.)

Cement demand for St. Lawrence Seaway work will be relatively light this year and not need large-scale shipments before well into 1956. But, he expected a continuing active demand for cement in highway and housing fields as well as industrial expansion.

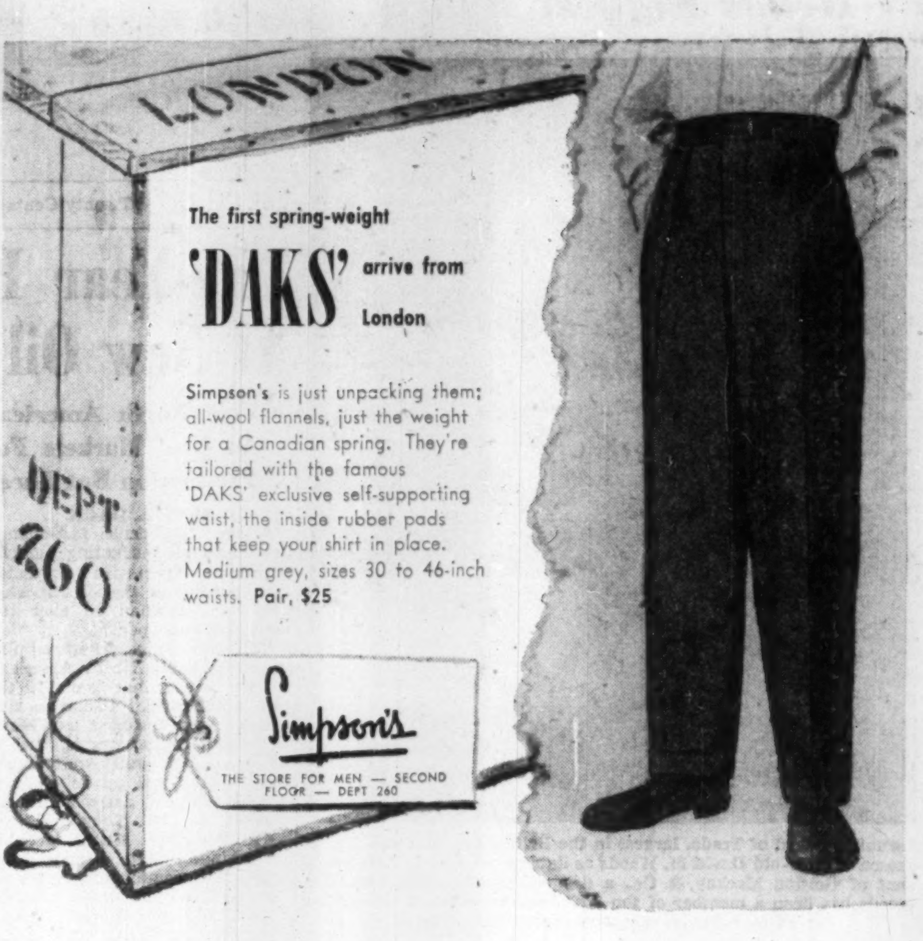
In regard to the company's $10 million capital expenditure program for the current year, Breen said Fort Whyte, Man., plant is scheduled for completion in May this year and will have a capacity of 1.5 million barrels annually. The new Edmonton grinding plant is due to be completed this year and will be available for the 1956 construction season.

Shareholders of Canada Cement approved a bylaw subdividing common shares on a four-for-one basis. This will increase authorized capital from 750,000 shares to 3,000,000 shares of which 2,400,000 will be outstanding. The split is subject to supplementary letters patent.

## *Auto Production*

| CARS | Week Ends Feb. 4 | 1955 To Date |
|---|---|---|
| Chrysler | 2,149 | 10,265 |
| Ford | * | * |
| General Motors | 3,947 | 19,214 |
| Hudson | 24 | 160 |
| Nash | 28 | 125 |
| Studebaker-Packard | 296 | 1,051 |
| Totals | 6,444 | 30,815 |
| Previous week | 6,568 | .... |
| **TRUCKS** | | |
| Chrysler | 100 | 489 |
| Ford | * | * |
| General Motors | 314 | 2,324 |
| International | 119 | 562 |
| Totals | 533 | 3,375 |
| Previous week | 607 | .... |

*Figures for first production week following strike settlement not immediately available.



The first spring-weight 'DAKS' arrive from London

Simpson's is just unpacking them; all-wool flannels, just the weight for a Canadian spring. They're tailored with the famous 'DAKS' exclusive self-supporting waist, the inside rubber pads that keep your shirt in place. Medium grey, sizes 30 to 46-inch waists. **Pair, $25**

Simpson's

THE STORE FOR MEN — SECOND FLOOR — DEPT 260

CANADA'S FIRST BANK

"MY BANK"

TO A MILLION CANADIANS

B of M

BANK OF MONTREAL

WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

*There's hardly any difference..*

*between the number of English- and French-speaking grocers in Metropolitan Ottawa — 191 are French — 193 are English.*

But it might make all the difference to your sales figures, if you included Le Droit in your next advertising schedule. Then you would be including not only 26,989 Le Droit subscribers but also the support of almost half the independent grocers in Ottawa and all the grocery chains. It is a fact . . . every Ottawa grocery chain regularly advertises in Le Droit.

In Metropolitan Ottawa's two language market, the French-speaking retailers *must be considered.* They know the market and they know how to get buying action.

Last year Ottawa retailers spent $453,050.97 on advertising in Le Droit — co-operating with the National Advertisers to sell this $102,000,000-a-year French market.

The Retailers Who Sell Through "Le Droit":

GROCERS:

Allied Food Markets
A & P Food Stores
Dominion Stores
Gaumond & Fils
Groceteria Genereux
I. G. A.
Jos. Labelle
Loblaw's
Gedeon Monette
Poirier Freres
A. L. Raymond
Red & White
Steinberg's

*Say it in French... Increase Sales in Metropolitan Ottawa...*

Le Droit

Metropolitan Ottawa is 43.2% French

*Daily Circulation: 26,989 (A.B.C.)*

HEAD OFFICE AND PLANT: 375 Rideau Street, Ottawa, H. E. Lemieux, Director of Advertising
TORONTO BRANCH OFFICE: 112 Yonge Street, EMpire 3-9903, Vern B. Moore, Manager
U.S. REPRESENTATIVES: Shannon and Associates

# Some Changes Likely Soon In Quebec Securities Act

MONTREAL (Staff)—Quebec's new Securities Act was scheduled to be taken up in the legislative council this week, and important amendments may be introduced by the Duplessis Government.

Edouard Asselin, government member of Montreal who is credited with drafting the original bill, was expected to submit any changes to the Upper House. The legislation has already passed the Legislative Assembly, but some of the submissions suggesting revision did not arrive in time for second reading there.

Any amendments made by the council will go back to the Assembly for approval, after which royal assent will be given and the bill will go into effect. It's aimed mainly at curbing high-pressure stock operators.

A key change which more than one group in the province has been pushing for concerns decisions of the new three-man commission to be set up to administer the Act. Under the original bill, no appeal was to be possible from commission decisions. Since the three men will have wide discretionary powers, this clause was considered unfair by some observers.

### Judicial Powers

The Government has been urged to make commission decisions subject to review by the courts. But whether this will be granted is not yet known especially since the no-appeal clause is one which the premier has appeared to favor.

Clarification is expected, however, of the commission's judicial powers. There has been some uncertainty as to who will impose the jail terms and fines provided in the Act. This, it's understood, will definitely be handled by the courts alone, not by the commission. the commission will be able to cancel licenses and force forfeiture of bonds deposited, but its authority will end there. It can, of course, take cases into the court if it so desires.

Another important section which has been studied closely is No. 61. Here's how it read originally:

> "Any representations made at the residence of an individual with a view to trading in securities is prohibited and constitutes an offense. Any sale or transaction in securities made with an individual upon or following any representations made at a residence is annullable at the option of such individual."

In Section 62, "representations" are described as "visits, written solicitations, and telephonic or telegraphic communications from a place situated in the province or not." And "individual" included anyone except "close personal friends or business associates of the broker or salesman, or customers with whom he habitually trades."

### Handicap To Business

Analyzing this, observers decided it would rule out some legitimate and standard practices in conducting a brokerage or investment business. For instance, it could prevent a broker from doing a telephone transaction with someone at his home, even if the party himself had called the broker and asked for information. It could also prevent bond salesmen from calling on possible purchasers at home.

These sections, it's understood, have been revised and expanded. They'll be worded now so as not to interfere with legitimate dealings.

The Government has also been urged either to increase the ceiling on fines under the Act or remove it altogether. Argument is that unscrupulous brokers might find that they could earn far more in a deal than the maximum fine if they were caught; they could thus treat the fine as an expense of doing business.

As a result, maximum fines under the Act are to be raised somewhat, but apparently there will still be a ceiling.

# Right to Patent Designs Urged

(Continued from page 1)

tion of an "international design pirate." Canadian designers, under present conditions, would cease to find opportunities here and move to other countries. Demand for Canadian goods in export markets would suffer because comparable articles of better design would be available elsewhere.

A definition of design for inclusion in the statute proposed by the National Industrial Design Council is: "Design means features of shape, configuration, pattern or ornament which in a finished industrial article appeal to and are judged by the eye but does not include a method or principle of construction which is dictated solely by the function which the article so made has to perform."

### CMA Agrees

The CMA was in general agreement with this proposed definition except that it would add the word "form." It said the main ingredient in a new design might be the texture of materials employed.

The association said a registered design should be protected from infringement for a period of either five or 10 years at the option of the applicant for registration. The present act provides for a five-year period which can be extended on application for another five years. CMA said it would be better for interested parties to know at the beginning whether a registration was going to stand for five years or 10 years.

The association said provision for compulsory license should not be issued until half the period of registration had elapsed.

"The creator of a design should receive under the Copyright Act protection from pirating when the design is in the drawing state as an artistic work," the CMA further submitted.

This might require an amendment to the Copyright Act. It was desirable to prevent the copying of a new design during the development stage and prior to its application in an article actually made. At that point the Industrial Design and Union Label Act should take over from the Copyright Act.

But, it was also submitted, even when an industrial design was registered copyright in the original artistic work should remain. This would mean that after the design registration expired the public could reproduce the articles made from the design but could not reproduce the artistic work in other ways so long as the copyright existed.

### A Broad Assignment

The commission, a three-man group, headed by Chief Justice Ilsley, has the broad assignment of reporting on whether present federal law adequately protects the public from monopolistic exploitation by owners of patents, designs and copyright and whether it affords adequate incentive for inventive and artistic genius.

Its report when made is likely to carry a good deal of weight and any legislative changes recommended are likely to be submitted to Parliament.

The present hearing which is concerned with design and copyright is the second. It has already heard evidence on patent law and there was not much complaint with the present state of that legislation. The copyright law phase of the enquiry will air a lively controversy between owners of performing rights and radio and television stations over the rates charged for the performance of musical works.

# Contracts Let For Dew-Line

(Continued from page 1)

tation Company (subsidiary of the government-owned Eldorado Mining and Refining Ltd.) is buying additional barges, and a specially designed tug boat is now being built in Vancouver. It will be transported overland to Waterways, terminus of the Northern Alberta Railway on the Athabasca River, and should reach the mouth of the Mackenzie by June.

Even in the present stage of hectic planning it is apparent that Northern Construction and the Foundation Company face a mammoth task. They have to move into country about which very little is known and erect specified buildings at sites which have not yet been selected in detail. Included are living accommodations, operational buildings, food- and fuel-storages.

Plans may call for materials and equipment to be landed at such and such a point on the northern coast: but nobody knows till they get there whether ice conditions will permit it. Plans may call for movements overland or over ice by tractor-train: but nobody knows till they get there whether it will be possible to move tractors. The full proportions of the necessary continuing air-lift cannot therefore be predicted with certainty.

### Call In Experts

The Foundation Co. has recruited the services of Col. Tom Manning, who is probably the best living Arctic explorer. It has also taken on Lieut.-Commander James Croal from the RCN, who made last year's northern trip with HMCS Labrador. And for help with the air-lift it has recruited C. W. Hoyt, superintendent of operations for Hollinger-Ungava Transport, which organized the air movement for building the Labrador iron-ore railroad.

The Canadian Government is taking steps to smooth out any problems which may arise with the Eskimos in areas where they have not been exposed to frequent white contacts. Two of the recently recruited Northern Service officers are being held ready to go into the North with the construction crews. They are expected to work out of principal field headquarters to any points where difficulties might arise with the native population.

## Look For It Here

February 12, 1955

REGULAR FEATURES

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INDUSTRIALS

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| Bruck Mills Ltd. | 10 | Mac. & Bloedel | 31 |
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| Consumers Gas | 8 | Powell Riv. Pulp | 5 |
| CPR | 28 | Robinson Cot. M. | 27 |
| Crown Life | 12 | Sterling Trust | 9 |
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MINES & OILS

| | | | |
|---|---|---|---|
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| Brunswick Min. & Smelt. | 38 | Lorado Ur. | 39 |
| Cons. Denison | 37 | Petrofina | 20 |
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| | | Violamac | 37 |

# *60-Cycle Power For 'Rich' Galt*

Ontario Hydro has almost finished the changeover from 25 to 60 cycles in Galt, making that Southwestern Ontario city the seventh to be standardized.

Hydro said this week that the switchover in Galt took four months. Crews altered 28,900 appliances, 8,000 electrical items and 11,000 pieces of machinery.

The changeover "revealed a high standard of electrical living," said Hydro. Workers changed 5,791 washing machines, 5,705 fridges, 1,682 oil burners, 3,319 record players and 2,463 items of hobby shop equipment.

"The number of refrigerators . . . in Galt was far greater than the average so far recorded in most other municipalities," commented Hydro.

# Ottawa Studies Pipeline Aid

(Continued from page 1)

officials, though it was beginning to be assembled this week.

The form of government financial participation which was being most seriously considered here was that of participating income debentures or participating preferred shares.

Government participation in the equity financing, and therefore in the management (even on a minority basis), finds little favor. Neither ministers nor officials like the idea of the Government being involved in such matters as price negotiations or arguments about rates.

But consideration was being given to the possibility of participating in such a way that the Government would get a return commensurate with its contribution without having to take part in management.

The sort of participating income debenture or share envisaged would be a first charge on the company's revenue after payment of bond interest. It would be entitled to a return of, say, 4% before anything was paid on the common stock.

Next charge would be a fixed dividend on the common, either at the same 4% or perhaps at a slightly higher rate.

Finally any earnings remaining for distribution would be split between the Government's participating debentures and the common stock.

### Change in Setup?

Any such government participation, whether on this basis or some other, would require a considerable reduction in the leverage of the structure as now proposed. The proportion of bonds would have to be reduced from 80% down to, say, 60% or even 50%. The remaining 40% or 50% would then be divided between common stock and government-owned participating debentures.

It was considered possible though not certain this week that some terms of this kind might be acceptable to the Government. The question was whether they would be equally attractive to other investors in either common stock or bonds in either Canada or the United States.

There was some feeling that, even if it were possible to raise the necessary private capital in Canada, this would still rob the capital market of Canadian funds which should be available for other purposes. Yet a capital structure so different from the usual U.S. method of financing pipelines might make little appeal to U.S. investors.

A question was also raised as to whether it is not already too late in the year for a proposal of this kind to be implemented in time for a start on construction this season.

### Arguments for Action

On the other side, a strong feeling remains in influential quarters that postponement of the project for another year is most undesirable. The objection to postponement rests on these main grounds:

—The pipeline, with its subsidiary gathering and distributing systems, will represent an investment approaching a billion dollars. This, it is argued, would be a splendid shot in the arm for the Canadian economy.

—Postponement would inevitably dissipate such momentum as the project has gained both in financial circles and in public esteem.

—It might react unfavorably on the Government at the polls if it appeared that the Government had first boosted and then dropped the project.

In none of these deliberations and discussions is the export to Northern Natural of Minneapolis playing any major part. The Government's eventual decision — which will certainly not be reached until some time after the Prime Minister's return — will be taken on the Canadian project alone, regardless of what the U.S. Federal Power Commission may do with the export proposal.

# Sup. Propane Buys Kingston Gas Co.

Superior Propane Ltd. is going into the Kingston area of Ontario through the purchase of Frontenac Blue Flame Co. Frontenac is the leading distributor of propane gas in the area.

The acquisition was announced by President J. F. F. McQueen this week, marking another step in Superior's long-term expansion policy.

Through the purchase, Superior gains more than 1,000 customers to add to the 20,000 retail and industrial users it already has.

# The Outlook In Oil Markets

(Continued from page 1)

terns. As well, planned pipeline construction programs promise to render the markets even more competitive over the next couple of years. A currently planned U.S. pipeline would bring competitive Williston Basin oil into the Minneapolis-Lakehead area.

Actually, securing new markets is not always just a matter of meeting the other fellow's price. Other factors often make it more economical for refiners to maintain established supply patterns even in the face of lower competitive foreign crude offerings.

This is particularly so in the case of fully integrated oil companies that produce—or trade their own oil. Canadian producers will be up against this especially in their fight for the big Detroit-Toledo market. Time, however, could be on our side they think; could produce sizeable markets here as competitive conditions shift.

### Price Cut Question

As for the 200,000 b/d Montreal area, oil experts figure it would take a further 20c 40c a bbl. prairie wellhead cut to just meet Venezuelan and Middle East prices in Montreal now. As they see it, marketing pressure is going to have to build up a good deal more before the industry is ready to make such a drastic price cut. (Foreign crudes comparable in quality and gravity with Canadian Redwater which wellheads at $2.58, bring $2.80 in mid-Continent and Texan fields, $3.21 in California and $2.85 f.o.b. ship at Venezuela.)

With the recent two price cuts of 9c and 7c a bbl. on the prairies, they see further cuts starting to reflect in reduced exploration and development activity in the fields.

Rising ocean tanker rates could change the competitive position in Canada's favor—and at the moment oil transportation officials can't see how these rates can go much lower. Tanker haul costs are running 1c per 100 bbl. miles as against 3c in the case of the two main Canadian crude pipelines. This pretty effectively puts Montreal beyond the reach of prairie crude (at current prices) which would have to absorb transportation costs of some 68c per bbl. (2,270 miles) as against only 34c for Venezuelan crude (3,400-mile tanker haul).

But 740-mile pipeline haul to Northwest U.S. at present prices, blocks mid-east 12,400-mile tanker haul and Venezuelan 5,400-mile tanker haul despite the low tanker rates.

# *Let Seaway Hydro Contracts, But No Employment Boost Yet*

Ontario Hydro has let its first big electrical contracts for the St. Lawrence Power Project, but it won't mean any immediate employment boost in the electrical industry.

The contracts went to Canadian Westinghouse Co. and Canadian General Electric Co. for 16 huge generators, which will turn out 1.1 million hp. in the Canadian side of the St. Lawrence power dam.

Hydro will pay $13.5 millions for the generators, eight of which will be manufactured and installed by each company. Delivery date for the first generator: Aug. 1, 1957, and each 1½ to two months thereafter.

Design engineering will start next month at Westinghouse, probably at the same time at CGE. But the actual shopwork probably won't be started by either firm until late 1956 or early 1957.

"No additional employment will be forthcoming in 1955 and for most of 1956," commented H. H. Rogge, Canadian Westinghouse president.

The situation is the same at CGE, it's reported.

There has been some comment on the cost of the generators. General Electric Co., the U.S. firm, contracted with N. Y. State Power Authority to supply all 16 generators for the U.S. side of the power project for $13.2 millions, apparently $400,000 less.

But, it's reported to The Post, the U.S. contract does not cover installation work. The Canadian contracts do. Installation is an expensive job in power dams, particularly when the job may last two years or more.

The St. Lawrence Project generators will be 600-tonners, each 60,000 kva, 60-cycle units. The rotors alone will weigh 300 tons each, turning about 95 rpm.

Ontario Hydro received a total of 10 bids for the job, from firms in Britain, Canada and Europe.

Hydro Chairman Richard L. Hearn said this week that a contract for the St. Lawrence powerhouse itself will be let within the next three months. This week Hydro also let a contract for production of crushed rock and manufactured sand from Hydro's own quarry near Cornwall, Ont. C. A. Pitts General Contractor Ltd., Toronto, bid to supply about 1.9 million tons of rock and sand for $2,486,000.

U.S. and Canadian companies submitted a total of 10 bids for the quarry job.

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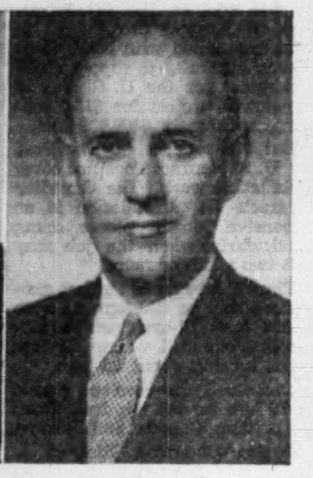

DONALD E. KERLIN

At the annual General Meeting of Shareholders of Montreal Trust Company held February 9th Hon. Brooke Claxton, P.C., D.C.M., Q.C., LL.D., and Donald E. Kerlin were elected Directors of the Company. Mr. Claxton is Vice-President and General Manager for Canada of the Metropolitan Life Insurance Company. Mr. Kerlin is General Manager of Montreal Trust Company.

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**A WORD OF ADVICE**

# What Do You Know About It?

## There's More to the Market Than a Quick Profit

By **PAUL S. DEACON**

Public participation in the stock market has been broadening in the past few months and its extent has been causing concern in some quarters.

Recent studies in the U. S. have shown a rising volume of trading in the lower-priced shares, generally a sign that the small investor has been taking a greater part in the market.

Investment bodies in the U. S. and Canada have been encouraging the growth of the investor group in recent years, as part of their effort to acquaint more people with the importance and advantages of investing.

The concern now being expressed is not with this idea of wider participation by people who can benefit from a sound investment program. It has to do with the question of whether those who are buying stocks know the nature of the security they are buying.

Those who think that stocks are a one-way street to wealth, who don't realize that market values change downward as well as up, could get a rude shock. Investing without understanding what it's all about can be dangerous for the individual and the investment business.

A person buying stocks in the knowledge that he or she is taking a risk is prepared for changes in price.

If the market turns down, and losses have to be taken, at least the informed investor isn't taken entirely by surprise.

The uninformed, however, could very easily raise a howl that could undo all the good work the exchanges and investment dealer bodies have been doing for the past few years.

A New York Journal of Commerce article last week illustrated how little many people know about stocks. It told of a publicly owned company which gave a Christmas bonus of stock to its 250 employees.

The stocks happened to have a 50c par value. Five or six employees stormed into the office of the president demanding that the "useless" shares be exchanged for something else. One offered to exchange his six shares for a carton of cigarettes. Even some of the more senior employees thought the 50c par value meant that the stock was worth 50c a share. Actually, the stock is selling on the over-the-counter market for prices about five times that figure.

When it realized what had happened, the company went to work to explain to employees, through small group meetings, just what the stock certificates were, and the misunderstandings were cleared up. The man who had wanted a carton of cigarettes instead of stock announced he wouldn't trade his stock for three cartons.

There's evidence that some so-called investors don't know much more about stocks than the employees of that U. S. firm. Their tendency, however, is more often to overrate the "usefulness" of stock certificates.

The investment community has a great responsibility to keep all its clients informed of the risks as well as the possible gains.

People should know that just because a stock has gone up in price doesn't mean that it will necessarily keep on going up.

They should know that when a stock they have bought has dropped, it doesn't necessarily mean ruin. If purchases are made outright, and the basic investments are good, often people can make more money sticking with their original choice than switching back and forth from one stock to the other.

They should also know there are such things as bonds and cash and insurance.

In other words, people should not only know what stocks and bonds are, but they should be given an idea of the general principles behind successful investing. You can't keep people who shouldn't invest from investing if they are determined to go ahead, but you can at least make an attempt to explain what's involved.

Of course, if the stock you talked them out of goes up, you won't look too smart. But you have to take that chance. At least there will be the satisfaction that over the long run, people at least took a fairly good look before they leaped.

* * *

### *Half NYSE Volume Margin Purchases*

While by far the greatest proportion of stocks is held on an outright basis, some figures just released by the New York Stock Exchange show that a good deal of the buying when the market was climbing fast was on borrowed money.

The NYSE studied in detail transactions between Dec. 8 and Dec. 15, 1954. Of all business done by individuals and investing institutions, 52.5% was "on margin." The number of shares traded each day varied from 4.1 million to 2.6 million in that period.

Margin requirements at that time were 50%, and have since been raised by Federal Reserve Board order to 60%. In other words, a person investing in $1,000 of stock must put up $600 minimum. If it goes down in price, he has to put in more (up to the $400 balance unpaid, depending on the extent of the decline).

# Trust Co. Trend To Raise Cash By Stock Sales

Crown Trust Co. is raising new capital through sale of common stock.

This move may be the forerunner of similar offers by other trust and loan firms, observers believe.

President C. S. Robertson told shareholders at the annual meeting of Canada Permanent Mortgage Corp. that the rapid rise in the company's deposits and debentures might make "necessary . . . expansion of our capital stock," if the present trend continues.

At the annual meeting of the Crown Trust Co., shareholders confirmed a bylaw authorizing a 10-for-one stock split, and a second bylaw increasing the company's fully paid capital to $1.5 millions through offering new shares on the basis of one new $10 par share for each five held, at a price of $15 per share.

Dividend on stock, said President Irving P. Rexford, will also be increased to 6% per annum from Jan. 1, 1955.

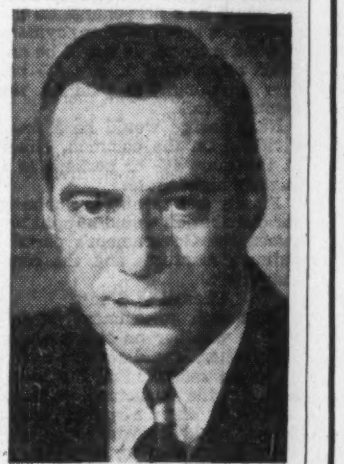
## TCA Bonded Freight Moves To Malton

Trans Canada Airlines is closing its office in Customs Building, 1 Front St., Toronto, and transferring reception of bonded air freight to Malton Airport.

Reason—so many air freight users are already collecting bonded material from the airport direct.

The move will take place on March 1, but the office will remain open a few days after that to clear any freight already received.

ANNOUNCEMENT



**MAURICE FORGET**

whose appointment as an Assistant General Manager is announced by The Royal Trust Company. Formerly an Assistant Manager of Montreal Branch, Mr. Forget joined the Company in 1935.

# M-H-F Buys Australian Farm Implement Company

Massey-Harris-Ferguson Ltd. has bought, through a newly formed holding company in Australia, all the outstanding shares of H. V. McKay Massey Harris Pty. Ltd., Sunshine, Australia, the oldest farm implement manufacturers in that country.

The announcement, made by Chairman and President James S. Duncan, comes just after the offering of $25 million 4½% cumulative convertible preferred shares, par $100, at par by a large syndicate headed by Wood, Gundy & Co. The new issue was quickly oversubscribed this week, and the shares were trading at a premium shortly afterward.

The association of the Canadian and Australian companies is not new. Massey-Harris has had agencies in Australia since 1887. In 1930, the Canadian firm acquired a substantial stock interest in the H. V. McKay Co. in return for its Australian assets. The name of the company was then changed to the present one.

The amalgamation brings into the Massey-Harris fold the Sunshine Harvester Works, a factory with a floor space of about 46 acres or 1.8 million sq. ft. Sales and service branches in New South Wales, South Australia, Western Australia and Queensland also come with the McKay operation. Company's products are sold by 608 agencies throughout the country.

The Australian company was begun in 1886, when Hugh Victor McKay succeeded in making a stripper harvester. Since then the company has grown, not without setbacks (the bursting of the "Land Boom" in 1886, and the great drought of 1902), until it was one of the major industrial concerns in Australia.

Mr. Duncan will become chairman of the board of the Australian operation and L. T. Ritchie, a vice-president of the Canadian company, has been appointed managing director. Mr. Duncan has recently spent several weeks in Australia, and intends to return early in March. Possibility of some financing through public issues in Australia will be discussed at that time.

The new preferred shares of Massey-Harris-Ferguson will be convertible into common shares on the basis of 10 common shares for each preferred share converted on or before Mar. 1, 1959, thereafter eight common shares to Mar. 1, 1962, and seven common shares to Mar. 1, 1965.

Consolidated net profit for the year ended Oct. 31, 1954, amounted to $7,194,000. Dividend requirements on the new shares will amount to $1,125,000 per annum.

Proceeds of the new issue will be used for general corporate purposes, and it's contemplated that substantial capital expenditures will be required to provide for extension of company's manufacturing facilities, including those for the further integration of the manufacture of Ferguson products into the company's factories.

One of the provisions of the new issue is for a market retirement fund to be devoted to the purchase in the market of the preferred shares at not exceeding par.

**CIE. EUROPEENNE DE REASSURANCES**, S.A., Paris, has increased its outstanding capital from 100 million to 200 million francs. Authorized capital has been raised from 200 million to 300 million francs. Par value of shares has been doubled, and is now 5,000 francs. Company reinsures the business of a number of Canadian firms.

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**50 YEARS**
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To mark our 50th Anniversary we have recorded, in this month's issue of our Review and Securities List, a brief history of the founders of our company and also have contrasted investment activities in Canada in 1905 with those of today. In the early years of the century capital for Canadian government and corporate purposes came mainly from Great Britain. Canadians now do most of their own financing and even invest in other countries.

There are detailed in the Securities List a broad selection of attractive investment suggestions including government, municipal and corporation bonds as well as shares. A copy will be gladly forwarded upon request.

*"February Review and Securities List"*

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*Offer of Subscription Rights and Privileges to Common Shareholders of*

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*(Incorporated in 1898)*

Shareholders of record at the close of business on January 31, 1955 have been offered a Basic Subscription Right and an Additional Subscription Privilege to subscribe for additional common shares in the capital stock of the Company at $46 per share.

*The Basic Subscription Right* entitles a shareholder to subscribe for one additional share for each ten shares held.

*The Additional Subscription Privilege* provides that a shareholder who subscribes for the maximum number of full shares pursuant to the Basic Subscription Right may subscribe, subject to allotment, at $46 per share for a further number of shares not exceeding the number of shares purchased under his Basic Subscription Right.

The expiry date of the Basic Subscription Right and the Additional Subscription Privilege is February 28, 1955.

We recommend that shareholders take advantage of the Company's offer and subscribe for the additional shares to which they may be entitled.

Investors wishing to acquire shares in this Company through the purchase and exercise of Rights and shareholders wishing to exercise—or to sell or to buy—Rights are cordially invited to make full use of our complete facilities for servicing their requirements.

*Prospectus describing the above offer will be sent promptly upon request.*

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Bruce Hutchison, distinguished author and journalist, is one of the nation's foremost authorities on political and economic affairs. He has a host of intimates in high places. Besides numerous short stories and articles, he is the author of "The Unknown Country" (winner of the Governor-General's Award), "The Hollow Men" and "The Incredible Canadian," a biography of the Rt. Hon. W. L. Mackenzie King.

Due to appear next autumn, his book, "The Struggle for the Border" (Longmans Green), is the dramatic and colorful saga of the long frontier that welds the U. S. and Canada.

Watch for Bruce Hutchison's column in The Financial Post. Enjoy his urbane style, his witty and penetrating comments.

***Coming soon in The Financial Post***

ANNOUNCEMENT

## R. M. HARCOURT & CO., REORGANIZATION

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Mr. Charles Scarr, who has purchased control of R. M. Harcourt & Company, Mr. Harcourt having retired, announces that the name of the firm is to be changed to

**SCARR, TINKHAM & COMPANY**

Mr. Scarr, who represents the firm on the Toronto Stock Exchange, recently announced the appointment as partner of Mr. Clifford J. Tinkham, C.A. Mr. Tinkham has been engaged in public practice as principal of his own firm for a number of years. Business will continue to be carried on from the present address, 170 Bay Street, Toronto. It is planned to extend the existing facilities in several ways, beginning with the opening of a bond department.

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**"OUR RECORD SPEAKS FOR ITSELF"**

Nov. 8—**Consolidated Denison**—then 67c: "Should move up nicely." NOW $2.73, a Gain of 307%.

Nov. 8—**Joliet Quebec**—Then 37c: "Hold on—good news soon." NOW 58c, a Gain of 57%.

Nov. 15—**Chemical Research**—Then $4.15: "Given to you as a buy at $1.75. NOW sell one-half, keep the rest which cost nothing"—a Gain of 137%.

Nov. 22—**New Thurbois**—Then 20c: "Could have a move." NOW 54c, a Gain of 170%.

Nov. 22—**Faraday**—Then $1.05: "A good Buy and a Hold." NOW $2.20, a Gain of 109%.

Nov. 22—**Bonville**—Then 12c: "Adjoins Faraday and is location Bet." NOW 22c, a Gain of 83%.

Nov. 29—**Gulch**—Then 65c: "Improving gradually, so Hold on." NOW $1.00, a Gain of 54%.

Dec. 20—**Scurry Oils**—Then 95c: "Could really move on news." NOW $2.60, a Gain of 173%.

Jan. 10—**Consol. Halliwell**—Then 27c: "Three-Star Special Buy." (Re-recommended Jan. 17 at 32c.) NOW 82c, a Gain of 203%.

**NEW RECOMMENDATIONS ARE NOW BEING MADE**

To obtain our current low-priced Recommendations for Capital Gain, together with our continuing Weekly Service for a 60-day Trial period, send only $1.00 with the completed form below.

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THE FINANCIAL POST, BOX 135, TORONTO.

**MANAGED INVESTMENT**

# MacNab's Manager Adds Base Metals To His List

MacNab's manager has added another category to the group of stocks in which he intends to concentrate his client's portfolio during this year.

The base metals group, as MacNab's manager points out, has been bullishly affected by war tension in the Orient; MacNab holds three issues in this group. So far MacNab's investment adviser hasn't quite made up his mind about oil stocks, and pursues a "wait-and-see" policy here.

**MacNab's Manager Says:**

In my last recommendation to you I mentioned certain groups of securities in which I intended to concentrate your account during the year 1955. I wish to explain that this is subject to revision at any time in line with new developments, as they might affect the stock market.

In addition to the industries already recommended: Brewers and distillers; public utilities (electric and natural gas); pulp and paper; lumber manufacturing; railroads; steel (fabricating); and building materials; I wish to add: base metals.

Your account is already invested in this group as follows:

| No. of shares | Stock | *Mkt. price |
|---|---|---|
| 10 | Noranda Mines .......... | $ 82¾ |
| 30 | Cons. M. & S. .......... | 32⅜ |
| 40 | Int. Nickel .......... | 60 |

*Bid price at Feb. 3, 1955.

This represents, at current market price (Feb. 3, 1955) $4,198.75 or 13.84% of your total account as per the last valuation.

My reason for including base metals as a favorable group for 1955 is obvious. Since my last statement, there has been a 3c increase in the price of copper, both in Canada and the U. S., which has improved the market price of both International Nickel and Noranda which are large Canadian copper producers. The current war tension in China is also having a bullish effect on the base metals group.

This may or may not prove to be a temporary factor but it is impossible to forecast the outcome of this situation at this time.

Another group which might be affected bullishly if a war breaks out in China is the petroleum industry, in which your account is already invested in 100 shares of Calgary & Edmonton Corp. Further oil stocks may be added to your group, but at the present time I have decided to await further developments in this group.

## *Gen. Dynamics Raises Dividend*

MONTREAL (Staff) — General Dynamics Corp. has declared a 100% stock dividend and increased quarterly cash dividend on the common stock.

Both the stock dividend and a quarterly cash dividend of $1.10 are payable March 10, 1955, to shareholders of record Feb. 23, 1955.

The company has previously paid quarterly cash dividends of $1 per share. The increased rate will amount to a quarterly dividend of 55c per share on stock outstanding after giving effect to the stock dividend.

Canadair Ltd., Montreal, is a subsidiary of General Dynamics.

John Jay Hopkins, chairman and president of the aircraft and submarine building firm, estimated that 1954 earnings would be in excess of $9 per share ($7.01 in 1953). Present backlog amounts to more than $1 billion, based on firm orders, contracts and letters of intention, Hopkins said.

## West. Can. Brew. Dividends Will Be 'Conservative'

Shareholders of Western Canada Breweries were told at the annual meeting this week that the company would continue to follow its "conservative" dividend policy until the company's position was "fully consolidated."

President W. Ross MacKenzie told the meeting that directors have used increased profits to build for the future, and when the expenditure program is completed, all the company's plants will be fully modern.

Company's consolidated net profit for the year ended Oct. 31, 1954, was $1.6 millions, compared with $1.3 millions in the previous year.

Indications are that the company will continue to do well, said Mr. MacKenzie, but economic factors beyond the control of the company might seriously affect demand for the company's products.

## West. Plywood Signs Option On Neighbor

Western Plywood Co., Vancouver, has signed an option for the purchase of all issued shares of Murray Plywoods Ltd.

Announcing the signing, John Bene, president of Western Plywood, says the purchase will be made subject to the outcome of investigations now in progress. Meanwhile, shareholders of Western Plywood have been invited to subscribe for 70,000 Class B shares of Murray Plywoods at $8.50 per share.

Proceeds of approximately $595,000 will put the treasury of Western Plywood in a position to carry out the deal.

The operations of the two companies are adjacent in Vancouver. Murray mill is only a mile from Western's Vancouver mill, and is served by the same trackage. The former produces fir plywood in a modern medium-sized mill.

Western Plywood proposes to integrate the Murray production with its own Vancouver and Quesnel mills and consolidate sales of the three plants. Combined production, says Mr. Bene, will amount to about 20% of the plywood produced on the Canadian west coast.

Western Plywood Class B shareholders are to receive transferable warrants covering their "rights" to acquire one additional B share for each five held. Rights will be issued to holders of record Feb. 14, 1955, and will expire Mar. 10, 1955.

## Bond Yield Average Rises

Average yield of 40 bonds as compiled by McLeod, Young, Weir & Co. on the basis of prices at Feb. 1, 1955, was 3.715% compared with previous month's average of 3.71%.

Provincial group rose by .02%; municipal, public utility and industrial groups remained the same. No substitutions were made during January.

Here is the yield by the various groups:

| | Feb. 1/55 % | Jan. 3/55 % | Aug. 4/54 % | Feb. 1/54 % |
|---|---|---|---|---|
| 10 Provincials .. | 3.36 | 3.34 | 3.38 | 4.05 |
| 10 Municipals .. | 3.75 | 3.75 | 3.79 | 4.49 |
| 10 Pub. Util. ... | 3.75 | 3.75 | 3.80 | 4.31 |
| 10 Industrials .. | 4.00 | 4.00 | 4.02 | 4.44 |
| 40 Bond average | 3.715 | 3.71 | 3.75 | 4.32 |
| Average maturity: | | | | |
| Years ........ | 13 | 13 | 13 | 14 |
| Months ....... | 2½ | 3½ | 7½ | 1½ |
| Canada 2¾% 15/6/68 ....... | 2.95 | 2.96 | 2.98 | 3.34 |

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## 114 Stocks' Yield Averages 4.51%

Average yield on 114 dividend-paying stocks on the Toronto Stock Exchange, as compiled by Moss, Lawson & Co. on prices of Feb. 7, was 4.51%, off .04% from last week. Current yield compares with 4.55% one month ago and 5.50% in the corresponding week last year.

Here is the yield by the various groups:

| | Feb. 7 % | Week Ago % | Month Ago % | Year Ago % |
|---|---|---|---|---|
| Common .... | 4.30 | 4.41 | 4.40 | 5.32 |
| Pfd. & A .... | 4.44 | 4.47 | 4.47 | 5.12 |
| Mining ...... | 5.31 | 5.22 | 5.34 | 6.62 |
| Banks ...... | 3.03 | 3.11 | 3.14 | 3.81 |

## C.I.I. Trust Drops Restricting Clause

MONTREAL (Staff) — Canadian International Investment Trust Ltd. can now invest more than 10% of its paid-up share and loan capital in any security. Amended supplementary letters patent have removed a restriction which prevented the investment trust from doing so.

The old regulation provided that the company could not invest more than 10% of its paid-up share and loan capital in any one security except Canadian federal, provincial and municipal obligations, or securities which are legal for insurance companies in Canada.

A company spokesman said there is no immediate plan for utilizing this new power.

Supplementary letters patent have also been issued, canceling 700 5% preferred shares which have been redeemed in recent years. There are now 9,300 5% preferred shares par $100 and 120,012 no par value common shares outstanding.

The company is an investment trust of management type subject to restrictions which may not be changed except with the approval of two thirds of preferred and common shares.

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**THE CANADIAN ANALYST**
P. O. Box 373, Station "H"
Montreal, Canada

## Powell River Will Spend $1.5 Millions

One and a half million dollars is to be spent on expansion and development this year by The Powell River Co. Annual newsprint output is to be boosted by 30,000 tons.

The expansion program was announced by Vice-President and Resident Manager R. M. Cooper in Vancouver recently. By 1956, newsprint output will have increased from 380,000 tons to 410,000 tons.

Company is planning a new office building which will probably cost between $350,000 and $400,000. Other projects include a new steam plant, locker room, parking lot and new lighting.

## Brazilian Traction 1954 Sales Increase

Brazilian Traction, Light & Power Co. report that sales of electric power in 1954 were 5,184,666,554 kwh, a rise of 12.7% over the 1953 figure of 4,601,389,187 kwh.

Sales of gas increased by 9.2%, from 9,364,820,415 cu. ft. in 1953 to 10,229,104,449 cu. ft. in 1954. Revenue passengers carried on the tramways dropped 6.8% in the year, from 556,601,750 to 518,887,236.

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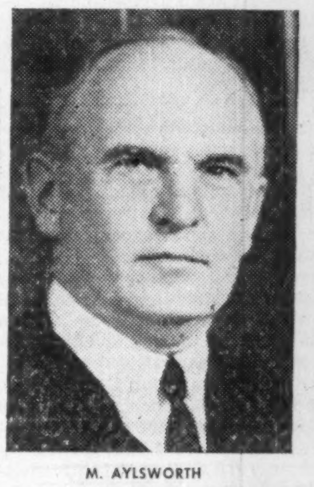

M. AYLSWORTH

R. P. BAKER

J. A. TAYLOR

The Board of Directors of The Huron & Erie Mortgage Corporation and The Canada Trust Company have announced three important changes in the executive personnel of these companies.

M. Aylsworth, president and general manager, is retiring as general manager, retaining the presidency of both companies.

R. P. Baker and J. Allyn Taylor, presently assistant general managers, have been appointed joint general managers of the Huron & Erie and Canada Trust.

New Issue

**$40,000,000**

**Quebec Hydro-Electric Commission**

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**Series "M"**

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**To be dated March 1, 1955** **To mature March 1, 1975**
**(Callable on or after March 1, 1972)**

Principal and half-yearly interest (September 1 and March 1) will be payable in lawful money of Canada at any branch in Canada (Far Northern branches excepted) of the banks designated in the debentures, or at the Head Office of the Commission in the City of Montreal, at the option of the holder. Debentures will be in coupon form in the denomination of $1,000, with provision for registration as to principal only. The debentures will be redeemable in whole or in part prior to maturity at the option of the Commission, upon prior notice of not less than 45 days, on March 1, 1972, or at any time thereafter, at the principal amount thereof and interest accrued and unpaid to the date fixed for redemption.

Provision will be made for a sinking fund for this issue of at least 1% annually of the principal amount of all the debentures of the issue in each of the years 1956 to 1960 inclusive, and of 2% annually of the principal amount of all the debentures of the issue in each of the years 1961 to 1974 inclusive, so long as any of the debentures are outstanding.

Legal Opinion: Messrs. McMichael, Common, Howard, Ker & Cate.

We, as principals, offer these debentures if, as and when issued and accepted by us, and subject to approval of our counsel.

**Price: 100 and accrued interest**

The right is reserved to reject any or all applications, and also in any case to award a smaller amount than is applied for.
It is expected that the debentures in definitive form will be ready for delivery on or about March 1, 1955.
An official circular is available upon request.

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# Rushing It Won't Help

It is difficult to believe that officials of the United Auto Workers are sincere in their clamoring for a guaranteed annual wage. The job of believing isn't made any easier by the announced intention of the United Steelworkers last week to join in the clamoring.

There are a dozen sound reasons why such a far-reaching change in the economy could not be made immediately. Perhaps the soundest is that in an economy such as ours, there cannot be a guaranteed market for production, and without a guaranteed market it is virtually impossible to guarantee wages.

Apart from this, however, surely these labor union officials realize that management is continually striving for steady, year-round production, that it is in their best interest to do so. Whether a company is manufacturing shoe laces or washing machines, it is obviously more profitable to have men, machinery, and capital working steadily throughout the year rather than in short bursts that put a strain on both and push costs up.

In a country with a climate like ours, there are tremendous handicaps to overcome in providing steadier employment. But we have made big strides in that direction.

The construction industry, for instance, used to close down completely for the winter months. Now, new materials and new techniques have been developed which enable many tradesmen to work every month.

In the automobile industry, not so long ago, the seven-month production year was the accepted thing. Now the annual layoffs are far shorter, except where they are brought on by the workers themselves. And there is a similar trend in almost every industry.

Labor is much closer to an annual wage now than even 10 years ago. And with the technical evolution that is taking place, it will move steadily closer. Labor unions, however, can imperil this development by making a bargaining issue out of it.

By doing so, they are trying to foist on the economy something which the economy is not able to carry. We simply cannot afford it. Action of this sort is what Morgan Reid, an assistant vice-president of Simpsons-Sears Ltd., had in mind when he told the Engineering Institute of Canada in Peterborough last week:

> "I think it is most important that we do not jeopardize our potential growth by attempting to live beyond our means. An inflationary policy—raising incomes without relation to changes in productivity—that is pursued without reference to what is happening in the rest of the world, can only result in a high-cost, non-competitive economy with an inevitable reckoning in the future."

If labor leaders persist in pressing their annual wage demands at this time, they run the grave risk of upsetting the economy and delaying the rewards that will come to Canada's labor force in the natural course of events.

## This Tax Needs Overhauling

After thoroughly exploring Canada's sales tax, the Canadian Tax Foundation recommends a complete overhaul and revision. It points out that this levy has been in operation "substantially in its present form," for some 30 years. In that period Canadian business has changed greatly and, in the opinion of the Foundation, certain weaknesses of the sales tax have become fully apparent.

Chief of these weaknesses, says the Foundation, arise from the determination of the tax base—where it will start in the manufacturing process—and in the policy of allowing not-too-well specified exemptions on building materials and equipment under certain conditions.

To help clear up the confusion in both cases the Foundation offers several suggestions—but for consideration not as specific cures. "Provided there is provision for appeal to an independent tribunal," says the Foundation, "there are many matters that can best be left to administrative decision." We can go too far in getting everything down in black and white, it thinks, in "codification to the point of inflexibility."

The Canadian Tax Foundation deserves the best thanks of both businessmen and the authorities for this careful and reasoned approach to an overhaul job that is of vital importance. The next move is now definitely and urgently up to Ottawa.

## Business and the Arts

The Art Gallery of Toronto is facing financial difficulties. It isn't getting the revenue that is needed to operate properly.

There is no reason to think the Toronto situation is unique. Other galleries across the country are facing the same problem. It isn't a case of revenues declining but rather that they are not increasing at the same rate as the public appetite for the services these institutions have to offer.

In the Toronto case, membership fees and admissions make up only about one third of total revenue. The balance comes from private donations and from provincial and municipal grants. If we are to retain the principle of keeping such institutions available to the public with only nominal admission, obviously the donations or the grants or both will have to be increased.

It is heartening to see public interest in art increasing. It's another indication of national maturity. But few things in even this field of life are really free. If Canadians want to see the works of Toulouse-Lautrec and the European moderns—a desire they have proved by their attendance at these exhibitions—the cost of this privilege will have to be met.

Surely this matter is of concern to the business community, members of which are in a position to assist with increased donations. The alternative is greater and greater government aid, a trend that is certainly not necessary and in many respects not desirable.

## He Is Not a Pest

At last someone has come out with a good word for the fox. The chief food of this much hunted and much maligned animal, points out District Forester Marritt of Hespeler, Ont., is not chickens, or pheasants or ducks or even rabbits. It is mice. "And," adds Mr. Marritt, "he is given very little credit for the good he does."

There is no doubt about that.

Nearly everywhere the fox is regarded as a pest to be exterminated in any way possible. And if this attitude does not change, he will soon be exterminated in most of the farming areas of the country.

Poultrymen and perhaps some misinformed week-end hunters may not worry about that. But tree planters, orchardists and all varieties of gardener certainly will. In their perpetual war against mice the fox is a valuable ally and if he does catch a rabbit or two that won't disqualify him. Even with his help mice cost millions each year in young trees and shrubs destroyed and in expensive control measures. Without the fox that loss could multiply many times, could make successful tree planting almost impossible in certain areas.

## Worst Boss in the World

Before the recent wage settlement it was accepted in Britain that workers on the government-owned railways were worse off than workers in private industry. That realization must have dimmed the zeal of some of those who, in the past, have beaten the drum for nationalization of industry. As government responsibilities grow, more and more people are finding out that the public is far from being the best boss in the world.

The taxpayer tends to start with the proposition that serving the community is a privilege and an honor, and he expects from his public servants a high degree of efficiency and enthusiasm. The same taxpayer hopes the cost will be low and often argues that security and predictable promotions are better than income.

One hazard of working for governments is that it's difficult to tell when a public servant is doing a good job, or when a government department is efficient. You can't look at a sales curve or a profit and loss statement to check performance. Even the public servant himself can't be sure he's effective.

In the case of the poor-pay company, the individual or the union always has the community opinion on his side.

In the case of government the employee is facing millions of his fellow-citizens, each of whom is privately convinced that everyone but himself is underworked and overpaid, and that any government job is a sinecure.

These attitudes prevail whether the employer is a rural school board, wrestling with the mill rate, or a crown corporation with an earned income. As the number of public employees increases, the attitudes intensify.

That's why it's important for Canadians to remember that if a large segment of Canadian industry ever came under direct government operation, a great many would find themselves working for the most demanding and unpredictable boss they'd ever had.

## Asking for Trouble

After what has happened in the United States one might suppose that Canadian farm organizations would be doubtful of endorsing any policies that would encourage farm surpluses in this country. But there is little evidence the lesson has been learned.

At the recent convention of the Canadian Federation of Agriculture many members were clamoring for higher government price supports. Not to be outdone, the rival Interprovincial Farm Union Council has come out for a two-price system for farm products (high at home and low for export), with priority prices even higher than the fantastic ones across the line.

Even in Canada, where price supports, fixed prices, parity payments and similar uneconomic devices have been applied much more gingerly than in the United States, there have been heavy losses and embarrassing surpluses. We only have to look at stocks of butter, wheat, pork and some other things to realize that. We have also had our troubles trying to find foreign markets where we could dump some of these surpluses without too much disturbance to the regular trade. But if we increase support prices and thus artificially stimulate production regardless of supply and demand, our troubles and our losses are going to multiply, just as they have multiplied in the United States.

For Canada such a policy would be cutting our own throats. In the United States it has been bad enough and world food markets in which Canada has such a vital interest have been seriously shaken. But in the United States agriculture is only one of a great many important industries. If the taxpayers there want to subsidize the farmer, that is their own expensive business and they can probably afford to do so.

But in Canada farming is one of the country's biggest industries and a firm export market for surplus farm products is absolutely imperative. We cannot begin to consume all our own farm production. Under such circumstances subsidizing simply does not make sense. We haven't got enough taxpayers to pay the bill. Canada's job is to grow food and market it, not to pile it up in elevators and cold storage.

## Gold Booms in South Africa

In South Africa's Orange Free State, well to the south of the famous Rand Area around Johannesburg, there's a new gold mining boom. Ten big mines have opened recently, 50,000 men are at work and four new towns designed to hold over 100,000 people are being built. American and British capital is flowing in freely and not only into this area but into the older fields too.

Why the buoyancy in South Africa and the lack of it here?

There are several reasons, but one overshadows all the others—foreign exchange.

To Canada with its high-priced dollar, the world-setting U. S. official price of $35 per ounce for gold is not very attractive. It is less in terms of Canadian money than it was during and just after the war when our dollar was at a substantial discount.

To South Africa, however, $35 U. S. is a good price indeed and especially since September 1949 when South Africa in common with Britain sharply devalued its pound. That devaluation was like a shot in the arm to the huge South African gold industry. In terms of South African pounds it was equivalent to a 30% rise in the price of gold.

Recently, too, another factor has entered the picture—uranium. The latter is one of the important byproducts in many of the new South African gold mines and it is this product, rather than gold, that is attracting much of the new U. S. capital.

## *Napier Moore's*
# Scratch Pad

SINCE THE WAR Canada has taken in about a million immigrants. More than 40% of them have gone to the Province of Ontario, and a large percentage of those have settled in and around Toronto. Immigration Department officials figure that about one out of every seven or eight persons in that area is either a since-the-war immigrant or the child of a since-the-war immigrant.

At two o'clock in the morning Minister of Immigration Pickersgill was awakened by the insistent ringing of the telephone in his Ottawa home. The call was from a man in Toronto who sounded very angry. The conversation went like this:

"Are you the Minister of Immigration?"

"Yes."

"Well, I want this immigration stopped at once. I've lived here all my life, but on the streets and on streetcars I've heard nothing but foreign languages for three weeks now. This has got to stop."

* * *

MUNRO BROWN, manager of the Public Relations Department of the Bank of Montreal, has sent to one of our scouts a copy of a radio script received from the bank's Regina branch. The program is conducted by Wilf West on Sunday afternoons, and apparently reaches a sizeable audience in South Saskatchewan.

Says the script:

Eddie Brown, who, along with a few dozen other people, helps to make the slogan about "My bank to a squillion Canadians" work, had a story the other day.

Seems an Indian, a Black Foot Indian (that's the name of the tribe, not the condition of his feet), came into the bank and asked Eddie to loan him some money.

Eddie said, "How much money do you want?"

Indian said, "Me need $200.

Eddie said, "How long do you want the money?"

Indian said, "Maybe two weeks, maybe two months."

Eddie said, "What security do you have? Collateral?"

Indian said, "Me have six oil wells, that okay?"

Eddie said, yes, he thought so, and Indian said, "Me need $200."

About a month later, the Indian came in, took out $2,500, peeled off the $200 plus interest, and put the roll back into his pocket. Eddie thanked him, and then said, "Why don't you let us look after the rest of the money for you?"

The Indian looked Eddie right in the eye and he said, "How many oil wells you got?"

All we have to say is that Eddie's Indian must have caught up with U. S. joke columns of 30 years ago. When we first saw it, it was an anecdote about an Indian who went into a bank in Dallas, Texas. Only the security was 1,000 head of cattle instead of six oil wells.

* * *

WHEN PRINCESS MARGARET is in Nassau, Bahamas, she will pay a visit to the RAF cemetery there. It is a peaceful, lovely, affectionately tended spot. Under stately trees, surrounded by vivid tropical flowers, lie airmen, who based on the island of New Providence, between 1939 and 1945, lost their lives on active service. There are tablets to those who were "missing" and have no known grave. Canadians lie there, too, men of the RCAF—P/O Douglas Holland, P/O Cyril J. Somerville, of Brampton; T/O Joseph Paul Lynes, of Westmount, Que.; F/O A. E. Hayes, of Kitchener. And two pilot officers whose crosses bear the names of no city—B. H. Zdar and A. J. Dacks.

The Princess will see another headstone too. A headstone which, when we saw it, pulled us up with a start. It took us back to a blisteringly hot Sunday in Toronto when we entertained a distinguished English author. A sensitive man, with a puckish sense of humor, he had recorded for history some of the most soul-stirring episodes of the war. We took him to our home, gave him a shower and a change of clothing, and until far into the night sat enthralled as he told us of deeds of courage which thrilled us to the core. We wrote to each other frequently after he returned to England. Then we were shocked to read of his death.

One day, a few years later, we visited the RAF cemetery in Nassau. And we saw a headstone:

Hilary St. George Saunders,
M.C., C.B.E.
Historian of Royal Air Force
Died December 16, 1951.

He was buried there at his own request.

* * *

WE CAN REMEMBER when, 30-odd years ago, New York business offices opened at 8.30 a.m. and closed at 5 or 5.30 p.m. Many of them were open Saturday afternoons. There was scorn of the English who took elevenses in the morning and tea in the afternoon.

Today, the long week end is an American institution and "coffee breaks" such an accepted practice that office managers are getting furrowed brows. Trouble is that staffs are extending the 10-minute break to 15, 30 and even 45 minutes. It is reported that a New York bank estimates a loss from coffee breaks at $125,000 a year.

## Stop Me If . . .

There had been an auto accident. The policeman started to take notes.

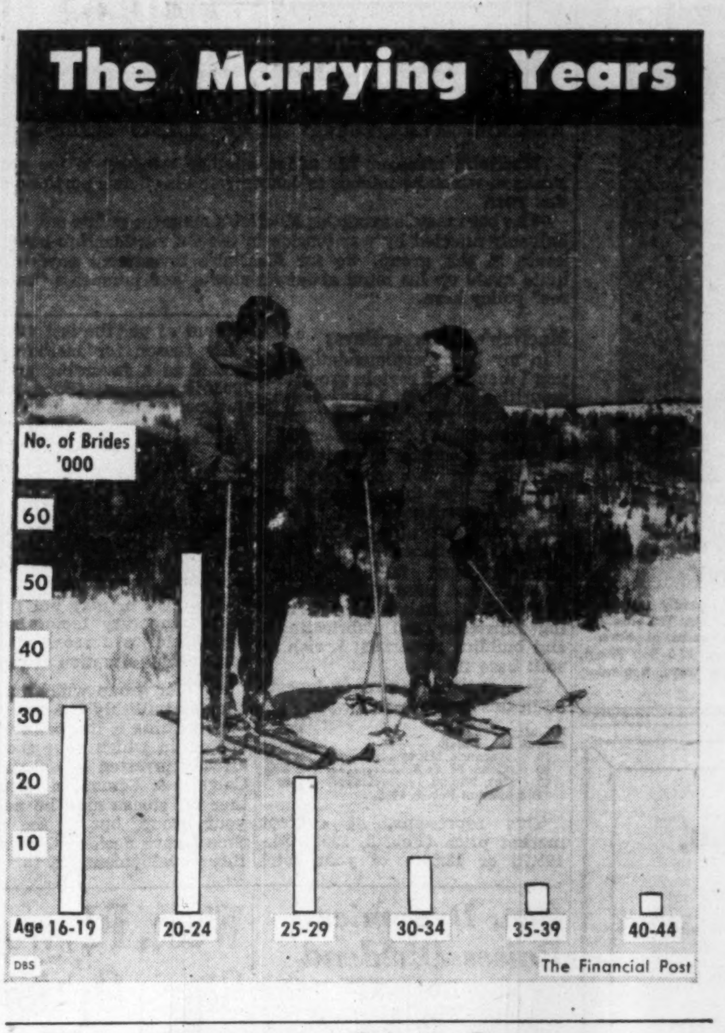
"Look here," said one of the drivers angrily, "I had the right of way. This man ran into me. Now you say I was to blame."

"And you certainly were," insisted the cop.

"But why?"

"Because his father is mayor, his brother is a police inspector and I'm going to marry his sister."

## The Marrying Years



# Post Scripts

### Ontario Highways Chief

As new Ontario minister of highways, James Noble Allan takes on a job second only in responsibility to that of his premier.

With plans to spend $200 millions on highway construction in 1955 and a staff of 8,000 regular employees (doubled during summer months), he heads the biggest spending department of the Ontario Government.

MR. ALLAN

Resembling ex-president Harry Truman in appearance, Allan is head of a dairy business in Dunnville at the northwest corner of Lake Erie and has come to be known as one of the ablest executives in the Ontario house.

He takes over the department at a time when the provincial highway system is being expanded at a record rate. Total mileage, now 10,800, may well be doubled within a few years.

Allan was born on a farm in Haldimand county in 1894 and graduated from the Ontario Agricultural College, Guelph, in 1914. He operated the family 300-acre homestead and worked as an agricultural representative before starting his dairy business in 1919. The firm is operated now by his son and son-in-law.

His experience in public life, begun in 1919 on the Canboro Township council, has included most elected municipal offices—mayor, reeve, etc. In the legislature, he has been chairman of the Select Committee on Cemeteries and is presently a member of the Select Committee on Highway Safety.

He is past-president of the Haldimand Children's Aid Society, and the Ontario Good Roads Association of which he is now a director and a life member. He was chairman of the Haldimand Victory Loan Committee through nine campaigns, and vice-chairman of the board of governors of the Haldimand War Memorial Hospital.

As a private member, he spent much of his time in 1954 studying the traffic accident problem. He attended the White House Conference on Highway Safety at the request of the then Minister of Highways, Geo. H. Doucett, and while there was often mistaken for the former president.

Mr. Allan was born of Canadian-Scots parents and is married to Lilian Jane Harvie of Orillia. They have a son, Harvie, and a daughter, Jean. All live in Dunnville.

* * *

### Biggest in Commonwealth

An energetic, quick-speaking head of a Toronto wholesale dry goods business has been elected president of that city's 6,000-member Board of Trade, biggest in the British Commonwealth.

Forty-two-year-old David Mason Woods, president of Gordon Mackay and Co., is no newcomer to the Board offices in the King Edward Hotel. He has been a member of the Board council for seven years and a member of the executive committee for three.

Another of his main interests has been tied in with Woods' Board activities; in the Board lounge along with others done by fellow members, there hangs one of his paintings done during weekly sessions at the Artists' Workshop in Toronto.

Born in the Ontario capital in 1912, Woods received his early education at Upper Canada College and at Ashbury College, Ottawa. He was graduated from University of Toronto with a political science degree in 1934.

The first two years of his business career were spent in the hosiery division of York Knitting Mills followed by another two years with his great-uncle's firm, J. D. Woods Co., now J. D. Woods and Gordon.

Woods moved to Gordon Mackay and Co. in 1938 and was made president in 1953.

With his wife, the former Joyce Patullo Lownsbrough of Woodstock whom he married in 1936, and his three children, 16-year-old David, 14-year-old Susan and seven-year-old Deborah, most of Woods' leisure time in the summer months is spent at his cottage on Lake Simcoe near Shanty Bay.

Along with the cottage there is some 25 acres of bushland in which the new Board of Trade president takes a keen interest. He has planted many new trees to revitalize the bush; "I don't work any harder than I have to but get a lot of fun out of it," he says.

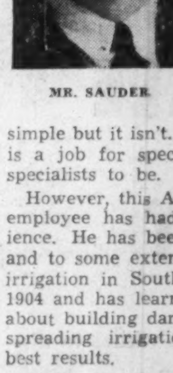
While there, he also indulges his interest in sailing, a carry-over from university days when he rowed for the university team. He also plays golf and some badminton.

Woods is a member of the Toronto Club, Badminton and Racquet Club of Toronto, University Club and the Toronto Golf Club.

* * *

### Godfather to Half Million

One of the key men in the multi-million dollar reclamation program in Southern Alberta is Ontario-born Penrose Melvin Sauder of Lethbridge. He is the colonization manager of the St. Mary Milk Rivers Development, a joint federal-provincial irrigation project, that will supply water to roughly half a million acres of land between the St. Mary Dam, southwest of Lethbridge, and Medicine Hat.


MR. SAUDER

Sauder's job is to get the lands being brought under the ditch into the hands of settlers establishing new homes under an irrigation farming economy. That may sound simple but it isn't. Irrigation farming is a job for specialists, or at least specialists to be.

However, this Alberta Government employee has had plenty of experience. He has been in the technical, and to some extent practical, end of irrigation in Southern Alberta since 1904 and has learned a lot of things about building dams and ditches and spreading irrigation water for the best results.

Sauder was born on a farm near Preston, Ont. He attended public school there and later Galt Collegiate and Engineering College.

The big western land rush was on and Sauder headed for the prairies joining the Dominion Government irrigation branch. He got a lot of practical experience as an engineer in Southern Alberta where the West's major irrigation development was under way. In 1920 he transferred to the Alberta Government service joining the staff of the new 100,000 acre Lethbridge Northern Irrigation project.

In association affairs Sauder has been prominent. He is a member of the Association of Professional Engineers of Alberta, serving as president of that body in 1935. He has also been Alberta representative on the Dominion Council of Professional Engineers.

"P.M." as he is called, has retained a keen interest in the Lethbridge Northern farm. He was chiefly responsible for building up there one of the finest purebred Aberdeen-Angus cattle show herds in the West.

Mr. Sauder is a Rotarian, is married and has two sons and a daughter.

# What Others' Are Saying

## Editorial of the Week

### It Just Wouldn't Work

Peterborough Examiner

We do not bring forward these arguments (against the guaranteed annual wage) in any triumphant spirit. There is nothing that we should like better than to see everybody with a steady, well-paid job. But the fact must be faced that we cannot have the best elements of the capitalist system combined with the best elements of a socialist system.

We cannot have all the risks of capitalism confined to the managers, and all the benefits of socialism provided for labor.

We have yet to hear any argument in favor of the guaranteed annual income in the automobile manufacturing business which would not immediately mean a large increase in the price of cars. Which would bring greater imports of cheaper foreign cars. Which would bring an appeal for the protection of native industries. And so forth. Strange and rocky though our economic system is, we do not see how this particular change would do it any good.

## Other People's Views

SALMON are revenue producers, points out the **Perth (N.B.) Victorian**: "Fly fishermen gave the provincial government $35.10 for every Atlantic salmon they took from privately-held waters."

THERE IS ONLY a foggy half-understanding of what our universities do and the place they fill, declares the **Victoria Colonist**. "At times the blame for that may rest with the numbers of young people who have 'gone to college' because it was the thing to do, and without intention of serious studying. It would hardly matter less where the frivolous go, or what use they make of their time. What will forever count is the opportunity which Canada affords to students with genuine talent. With more public interest the gap between special ability and individual means can be lessened."

OPEN HUNTING will soon be a thing of the past if something is not done soon to stop abuse, thinks the **Waterloo (Ont.) Chronicle**. "Mobs of men continue to invade the fields and the friendly relationship once existing between hunters and farmers, is steadily going down hill.

"If this part of the country is to retain open areas where the sport of hunting may be indulged in, then it will only be done through the farmers' generosity. More and more farms are sprouting 'No Trespassing' signs. More and more farmers are being antagonized."

MR. GARDINER might take a tip from Finland if he really wants to get rid of surpluses, suggests the **Winnipeg Free Press**. "During the winter of 1953 the Finnish Government found itself with a formidable egg surplus, accumulated both because of an unexpected rise in the productivity of Finnish hens and because of farm price policies which will remain, one hopes, double Finnish to Ottawa. To get rid of this surplus, the Helsinki Government decreed that henceforth all inmates of jails and all conscripts in the armed forces would eat three eggs for breakfast seven days a week — or else."

CANADA'S WHEAT EXPORTS have declined during the first four months of the current crop year while other major producers have been shipping more, points out the **Toronto Globe and Mail**, which argues: "This removes the final comforting argument advanced by Trade Minister Howe, Agriculture Minister Gardiner and Prime Minister St. Laurent to justify the Government's marketing policy. It was solely owing to the 1954 crop failure that our wheat stocks available for export and carryover fell by 109.5 million bushels at the end of the last calendar year. But if our share of the world market continues to sag at the rate of last year-end, no argument remains for continuing the Government's marketing monopoly."

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Subscription Terms—Single copies 20c. Yearly in Canada, $5; (two years, $11); all other countries, $7 (two years, $13).
Advertising Rates: Single insertion $7.70 per inch. Contract terms upon request.
Authorized as second-class mail, Post Office Department, Ottawa.
Main articles indexed in The Canadian Index of The Canadian Library Association published 10 times yearly and cumulative annually.
Other Publications and Services of The Financial Post
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**LABOR ROUNDUP**

# Unity Woes For Independents

## Communist-Line Unions Fear Heavy Raiding Forays

By JACK McARTHUR

Here's a little-publicized angle of current union progress toward no-raiding peace and organic unity:

—The closer the co-operation between CCL and TLC locals in Canada, and AFL and CIO unions in the U. S., the tougher things are going to be for independent unions.

This means that Commie-led unions expelled some years ago, company unions, and the many bona fide independents, have a stake in discussions leading to labor unity.

And they know it. Red-tinged unions like Mine Mill and Smelter Workers are beginning to emphasize things they don't like about the no-raid pact and labor unity.

Greatest of these is that no-raiding and unity will not — absolutely not — apply to unions whose leaders toe the Moscow line. And that line now is: Labor unity is wonderful but let us under the umbrella where our membership will be protected.

This is an indication that these outlaw unions are hardpressed now and expect to be worse off in the future.

In this situation lies explanation for the desperate attempts by the Fur and Leather Workers' Union to get into the AFL. Presumably this would allow its toe in the TLC door in Canada.

The FLWU is being assiduously raided by the CIO. Its days may be numbered unless it succeeds in getting some kind of protection.

This means the FLWU and any other union which finds itself in similar position later are treading a skimpy tight-rope. Communist-line union leaders are having a tough time now trying to combine allegiance to Communism with leadership of unions whose members are largely non-Communist. It would be even tougher if they succeeded in getting into one of North America's major labor congresses.

For this reason, there's a considerable body which says: Let them in, give them no-raiding protection but exact such a heavy price that Communist leaders either would be powerless or forced out of office.

So far as non-Communist independents are concerned, the picture is that labor congress co-operation means greatly increased organizational and financial resources will be backing attempts to take them over.

That means that unions like Ontario's Hydro Employees' Union (Ind.) can expect periodic attempts to grab their membership. The latest push on Hydro was this year. It failed. But pressure will continue.

* * *

### *Ont. CCL Unions Don't Like Profit*

One of North America's most socialist-minded labor bodies met in Hamilton last week and the expected happened:

—The CIO-CCL Ontario Federation of Labor officially re-endorsed the CCF.

—A number of blasts were fired off against the private enterprise system. United Auto Workers boss George Burt, retiring president of the Federation, grabbed headlines with a denunciation of the profit motive.

—Ontario CCF Leader Donald MacDonald lauded the group, contended recent strikes have helped maintain worker purchasing power and avoid depression.

—The group criticized both Ontario and Federal Governments for "indifference" to labor problems.

—And named as president Packinghouse Workers executive Sam Hughes.

* * *

### *Suggestion Boxes Are Silver-Lined*

Canadian General Electric last year paid out a record $27,000 for 1,761 suggestions from its employees.

CGE now has paid around $200,000 since it began its suggestion award program in 1926.

Last year, the company got almost 5,000 suggestions. Thus more than one in three was adopted — an average of 17 for every 100 eligible employees. In the CGE plastic plant at Cobourg there were 148 suggestions for every 100 employees, 68 of 100 being accepted.

Under the program's rule, a suggestion must incorporate a new idea or a new application of an old idea that will improve methods, products or working conditions, cut cost, losses or errors, eliminate safety hazards or waste, or introduce new products for manufacturing.

The big winner last year: Mary Gurnick of the radio and television department, who collected $532 for a suggestion concerning assembly of a sub-miniature device for the armed forces.

* * *

### *Labor Briefs*

U. S. Labor continues to flock to the banner of the guaranteed annual wage, portending one of the hardest bargaining years in American history.

Latest development: AFL rail unions have joined the growing number of CIO unions wanting GAW or some variant. As with United Auto Workers Union, which publicized the demand, the rail unions want GAW as a remedy for fluctuations in employment.

Other unions backing GAW: CIO Rubber Workers, possibly unions in textiles, meatpacking, glass and electrical manufacturing. If UAW gets some kind of GAW, these unions are likely to demand the same deal.

* * *

Death of Harry Chappell, 51, president of the CCL Canadian Brotherhood of Railway Employees, removes a likely candidate for leadership of the CCL when A. R. Mosher quits. Mosher, 73, is nearing retirement. Chappell was a major backer of the CCL tie-up with the CCF.

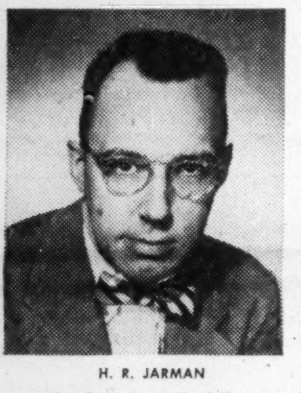
* * *

When the long fight between the Saskatchewan Government's Power Corporation and its employees is finally over, a two-year contract may have proved the answer. The CIO-CCL Oil Workers' International, miffed by the tough bargaining attitude taken by the Government and its Corporation, has been talking strike in recent weeks. A firm two-year contract might persuade the Union to settle for less than its last demand and the Corporation to settle for more than its last offer.

* * *

It appears the CIO International Woodworkers is going to ask B. C. lumber operators for a substantial wage-benefit package this year. The Union apparently has been encouraged by the market improvement for Canadian lumber products. High labor costs have been troubling the industry for some years.

L. E. PICKETT



H. R. JARMAN

ANNOUNCEMENT

YOUNG & RUBICAM APPOINTMENTS

L. E. Pickett and H. R. Jarman have been appointed to the staff of Young and Rubicam Limited as account executives in the Toronto office, it has been announced by A. R. McGill, Managing Director.

Mr. Pickett has had extensive experience in the advertising and marketing of major food, drug and cosmetic brands while serving advertising agencies in Toronto, Chicago, and New York.

Mr. Jarman has been associated with Canadian advertising agencies since 1946 and has specialized in food, beverage and financial accounts.

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RJ-434

# West Coast Labor Climate Turns Cold For Leftists

British Columbia Labor — always more subject to Communist infiltration than sister movements in other provinces — appears to be teetering on the edge of a widespread cleanout of left-wingers.

The ructions over the activities of Communists, left-wingers and nonconformists in Local 213 of the AFL-TLC International Brotherhood of Electrical Workers may be all that's needed to touch it off (The Post, Jan. 22).

Already sentiment in favor of stamping out Commie activities has made itself felt in the AFL-TLC building trades unions.

The Provincial Council of Carpenters has suspended eight officers of Local 452 of the Brotherhood of Carpenters and Joiners pending a union trial in a few weeks. The charge: Alleged Communist activities.

Included in the suspended group is Jack Stevenson, business agent for the Local. Stevenson has been regarded as a left-winger.

Behind the scenes, encouraging the labor moderates, is the B. C. Social Credit Government.

The Government probably will stay out of the picture. Its vocal support could be embarrassing to the leaders of the moderates, most of whom are CCF. Few are Social Crediters, most have blasted the Government for its labor policies.

The key man in the IBEW situation is a Torontonian. He's John H. Raymond, IBEW vice-president in Canada.

He's awaiting testimony being taken on the cases of some 40 suspended members and officers of Vancouver Local 213. The Local has 2,400 members, a history of organizational success. IBEW has 22,000 members in Canada.

Raymond expects to get the evidence within 10 days to three weeks. Then he will study it, announce his decisions.

What Raymond says could make or break the career of live-wire George Gee, suspended business agent of the Local. Gee has been the key man in expanding membership in the west coast electrical and gas distribution industries.

The result: He has considerable support among members who ordinarily would not back a man said to have conducted "leftist activities."

The men who conducted the initial investigations were Alfred Terry of Washington, D.C., a representative of the Union's International, and Local 213 President Jack Waplington.

Local 213 for some time prior to the investigations was felt to have Red-line tendencies. It was probably for this reason that the parent union and AFL-TLC officials in B. C. helped squeeze it out of membership in the council of craft unions representing aluminum workers at Kitimat.

The new tougher line being taken by B. C. labor toward Communists and left-wingers will — if it continues — make life harder for the Communists which once ran the CIO-CCL International Woodworkers of America. This bunch was thrown out some years ago, would like to regain their former prominence.

It will sharpen the vigilance of all B. C. labor unions and make the Communist-led Mine Mill and Smelter Union more of a social outcast than ever. For instance, Mine-Mill has been ejected from the IBEW building where it was a tenant.

It's all being done to the accompaniment of shrieks of "McCarthyism" from the West Coast Communists. The party has always been active in B. C., where it has been quick to cash in on Labor troubles in the forests, fisheries and heavily urbanized districts of the lower Fraser River Valley.

# Canadian, U.K. Interests Back Alberta Steel Project

MONTREAL (Staff) — United North Atlantic Securities Ltd. is considering sites in Calgary and Edmonton for location of a $2 million steel rolling mill.

It is hoped to begin full-scale construction in the spring, a company spokesman said. The completed mill will have a capacity of 30,000 tons annually.

The company announced last fall it was considering the project. Now some initial steps have been taken including incorporation of Alberta Rolling Mills Ltd. Further details are expected soon.

United North Atlantic Securities is a finance and investment company formed in early 1953 with paid-up capital of $2.5 millions. Approximately half the capital is provided from the U. K. by a group consisting of Robert Benson, Lonsdale & Co., N. M. Rothschild & Son and a number of investment trust firms. The Canadian capital comes from private investment sources including W. C. Pitfield & Co. Ltd.; European and U. S. interests are also represented.

Object of the company is to participate in the development of Canada through investment of funds in growth situations, mainly through the medium of unlisted securities.

The board of directors include: A. S. Torrey, W. Leslie Forster, both of Montreal; Courtland Elliott, Stewart G. Bennett, both of Toronto; Sir Mark Turner, R. W. C. Hobbs, both of London, Eng.; Arthur Ross, New York.

# CN Also Cuts Time to Coast

MONTREAL (Staff) — Extra trains and faster service are the latest inducements of Canadian railways to bolster their passenger operations, effective April 24.

CNR announced this week that it will introduce its new "Super Continental" train which will cut 14 hours and five minutes off the Montreal to Vancouver run. The new time will be 73 hours and 20 minutes westbound. The Vancouver to Montreal run will be cut by 15 hours and 20 minutes to 72 hours five minutes.

CPR announced earlier that the company's new stainless steel dome streamliner will make the Montreal to Vancouver trip in 71 hours, 10 minutes, cutting 16 hours off the 2,881-mile journey. Called "The Canadian," it will cut the Vancouver-Montreal trip by 12½ hours to 70 hours, 20 minutes.

Powerful diesels will be the big factor in this time-saving travel which will go into operation April 24, coincident with the normal changes in schedules.

Both new CNR and CPR trains will be additions to existing transcontinental services. The CPR's "The Canadian" will not carry mail while the CNR has not reached a decision on this matter.

# Mercantile Plans Toronto Branch

MONTREAL (Staff) — Mercantile Bank of Canada is taking a third major step in carving out a place for itself in the Canadian chartered banking field. With head office in Montreal, and a branch in Vancouver, it's now getting set to open up shop in Toronto.

Mercantile has rented ground floor space in the Brock building, at 210 Bay St. After renovations, it hopes to open by the fall of this year.

After Vancouver, Toronto, has always been considered the bank's next most logical bet for a branch office. Mercantile does not plan a vast network of branches throughout the country, but will operate in a limited number of strategic locations.

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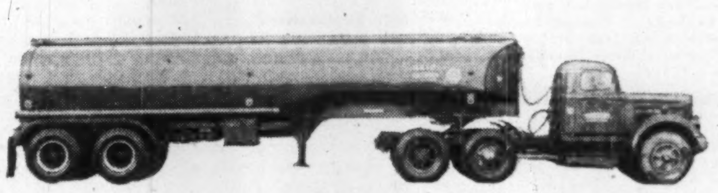

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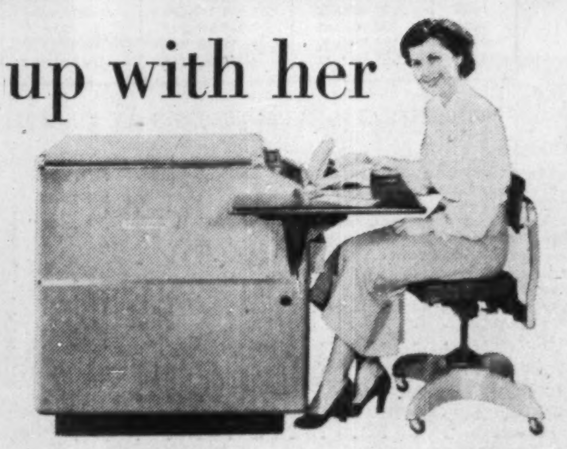

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# No Change In Textile Tariffs?

## Tariff Board Reports on the Industry's Problems

OTTAWA — The Tariff Board has found the troubles of the woolen cloth manufacturers, though serious, are not due to any variation in the effective rate of tariff protection since 1948.

Its report on a reference made by former Finance Minister Abbott last May was tabled in the House of Commons this week. It is strictly factual and makes no recommendations for or against a change in the tariff, but probably has some significance in that it will influence government policy in relation to claims from other manufacturing industries for additional protection against stiffening foreign competition.

The claim put up by the industry was that tariff item 554B under which woven fabrics composed wholly or in part of yarns of wool or hair enter "has become anomalous and unrealistic and that as a consequence the industry has suffered or is suffering serious injury."

The British preferential duty under the item is 20% plus 12c per lb., subject to a ceiling of 50c per lb. The item was alleged to be anomalous in that present prices of cloth make the 50c ceiling a lower effective protection than it was when it was applied prior to the war.

On the score of a tariff rate getting out of date and out of line with other tariff rates, the woolen manufacturers were believed to have a strong case for revision. A Tariff Board decision to the effect that this situation was not the cause of the industry's difficulties is more apt to stiffen the Government's policy of holding the tariff line than otherwise.

### Findings Summarized

The board's report is a 95-page document, which reviews the lengthy submissions made to it for and against a change and includes a fairly complete statistical history of the industry in recent years.

The findings are summarized thus:

From the board's inquiry into the state of the wool-cloth industry, the following salient facts have emerged:

**1. The total demand in Canada** for cloth containing wool has fallen drastically since 1948. The effects of this decline in demand, per se, appear to have been more severe on the woolen than on the worsted section of the industry.

Among the factors contributing to this shrinkage of the market have been:

(a) The rise in wool prices, 1950-51, causing, later, inventory losses to the industry and, by the same token, initiating consumer resistance to increasing prices of wool clothing;

(b) The growing competition of the domestic synthetic industry, which competition seems to be impinging more on woolens than on worsteds;

(c) The competition of consumer durable goods for consumers' dollars, resulting in consumers spending a decreasing proportion of their income on clothes and personal furnishings.

**2. As a result of the fall in demand,** the Canadian market for cloth containing wool has become increasingly competitive; moreover, in recent years, British competition has been exerting a strong influence on the level of prices for wool cloths. This influence appears to be stronger in the worsted section of the market.

**3. Rising wage costs** and shrinking production have combined to increase the unit cost of Canadian cloth in recent years. In spite of rising British costs this is still considerably higher than that of British exporters.

**4. The effective rate of duty** on wool cloth has shown little variation since 1948, and, per se, cannot be considered a cause of the wool-cloth industry's present malaise.

### Mills Shut Down

Three of the four facts above stated—the shrinkage in total demand, the downward trend of prices, and the rising costs of Canadian producers—when taken together, constitute the background to the picture that presented itself as the board's inquiry progressed. They help to explain two further and resultant facts: that employment has fallen, and that some sections of the industry have been and still are in financial distress.

Equally, however, they suggest at least that some mills which are responding to the challenging situation will continue to hold their own; and that, among those which appear unable to do so, further mortalities would seem inevitable.

The board said 17 mills have closed since 1951. It says management of some of the older mills may not have been as alert as it should have been. Sometimes no salesmen were employed. Sometimes old machinery was not replaced.

"Apart from the general decline in demand for wool cloth," it says, "probably the most important reason for the closing of these mills has been lack of orders for the type of cloth which had been the predominating item in their line of production."

It notes that demand for heavy woolen cloth, such as mackinaw, practically disappeared due to the growing use of synthetics. Plants making wool cloth for automobile upholstery had to close because of the trend to synthetics, unless they could switch to other lines.

The board noted that average wages in the industry kept rising during the period of its trouble, climbing 32% from 1949 to 1954. It said this was due to the general rise in wage levels and the necessity of an industry, facing stiff competition, to retain efficient workers.

It thus found no evidence to support a statement made to it by the Textile Workers Union of America that employers "sought to capitalize upon the distress of the workers to force wage reductions."

The board found employment in the industry fell by 4,500 workers between 1949 and 1954 but noted that a number of other workers were on part time. It commented on what appeared to be generally good labor-management relations.

### Drop In Demand

The fact that the over-all demand for wool cloth went down from a peak of 47.5 million yards in 1949 to 31 million yards in 1954 was the salient cause of the industry's trouble in the board's view. During the same period Canadian production went down from 20 million yards to 18.5 million yards. Imports of British cloth went down from 16.1 million yards to 11.5 million yards.

Cloth sales reached a peak in 1949 due to the lifting of wartime restrictions and a great splurge to restock family wardrobes. From then on consumers became more choosey. There was a trend to synthetics and demands for lighter woolen fabrics which have a higher labor content.

The board found that in all sections of the market British exporters had gained ground from 1948 to 1953. There could be no doubt the Canadian industry was finding difficulty in meeting British competition.

ANNOUNCEMENT

WILLIAM A. STEWART, B.Comm.

Midland Securities Corp. Limited announce the appointment of Mr. W. A. Stewart as Resident Manager of their Montreal Office. Mr. Stewart is a graduate of the University of Toronto, and was associated with the Bank of Canada prior to joining Midland Securities' Toronto Office in 1949.

# Vancouver Group To Fly to London Over North Pole

From Our Own Correspondent

VANCOUVER — Forty-eight members of the Vancouver Board of Trade will take part in a two-week flying trade mission to Great Britain aboard a Canadian Pacific Airlines' plane on the company's new over-the-pole flight.

Purpose of the trip is to stimulate trade between Great Britain and British Columbia.

W. S. McAdam, agent general in London for B.C., the British Board of Trade, the London Chamber of Commerce and the Canadian Chamber of Commerce representative in London are arranging contacts and interviews for the Vancouver group.

The party will leave Vancouver's International Airport on April 11 and return April 23 after 11 full days in the United Kingdom.

# Canada Iron To Manufacture For U. S. Firm

MONTREAL (Staff) — The Three Rivers plant of Canada Iron Foundries Ltd. is to manufacture valves for Canadian sale by a new subsidiary of Walworth Co., New York.

Walworth Co. has placed an initial order with Canada Iron Foundries which calls for manufacture of iron valves. These are expected to be in production soon for Walworth Co. of Canada Ltd., the new subsidiary of Walworth Co., which will sell coast-to-coast in this country.

There will be practically no changes in existing facilities at the Three Rivers plant, which is big enough to handle the additional production.

Plans for expansion in the Canadian market were disclosed by Walworth last week. The move reflects belief by the new management that the industrial growth of Canada in petroleum, natural gas, chemical, marine, mining and pulp and paper fields offers wide opportunities for increased sales of valves and fittings.

At the annual meeting of Walworth, to be held March 23, 1955, T. F. Rahilly, chairman and president of Canada Iron Foundries, will be nominated as a director.

# Consumers' Closes Last Coal Gas Producing Unit

The Consumers' Gas Co. of Toronto has closed down the last of its coal gas producing units as its entire system is now almost 100% converted to natural gas.

On Feb. 17 conversion of some 400,000 appliances for 165,000 residential, commercial and industrial customers will be completed, and natural gas will be available throughout the Metropolitan Toronto area.

Consumers' Gas has been supplying manufactured gas to the Toronto area for 106 years.

ANNOUNCEMENT

NORMAN S. ROBERTSON, Q.C.

WILLIAM M. ANDERSON

JOHN T. BRYDEN

GEORGE RYRIE

North American Life Assurance Company announces the election of William M. Anderson as President, succeeding Norman S. Robertson, Q.C., who continues as Chairman.

John T. Bryden becomes Vice-President and General Manager and George Ryrie, Vice-President and Assistant General Manager.

*Fry & Company*

*has pleasure in announcing the admission of*

*Mr. Donald J. Wilkins*

*into the partnership*

HAROLD FRY

ALEX E. BARRON
J. M. DUFF WOOD
ARTHUR FRY
DONALD J. WILKINS

TORONTO, FEBRUARY 1955

A practical approach to the selection of a PENSION PLAN..

Here is a booklet that discusses in simple, every-day terms, one of the complex problems on management's doorstep to-day—the selection of an Employee Retirement Program. The advantages and disadvantages of various types of retirement programs are outlined, and the case for the Trusteed Plan is stated in detail.

Every employer concerned with the establishment of a pension program will find this booklet a source of much valuable information. We invite you to write or phone our nearest office and ask for your copy of our booklet "Pensions and Employee Retirement Programs—To-morrow's Pay Day".

THE CANADA TRUST COMPANY

CALGARY CHATHAM EDMONTON GUELPH HAMILTON LONDON MONTREAL REGINA TORONTO
ST. CATHARINES ST. THOMAS VANCOUVER VICTORIA WINDSOR WINNIPEG

P 1-54

$6 BILLIONS IN FORCE

SUN LIFE OF CANADA AGAIN LEADS ALL CANADIAN LIFE COMPANIES WITH NEW INSURANCE OF NEARLY $700 MILLIONS IN 1954.

Last year, policyholders purchased from the Sun Life Assurance Company of Canada a record volume of new life insurance which exceeded $696 millions, bringing total insurance in force with the Company at December 31, 1954 to more than six billion dollars. The 84th Annual Report to the holders of over two million Sun Life policies and Group certificates reveals that benefits paid in 1954 amounted to $134 millions, or an average of $529,000 each working day. During 1955, $26 millions will be distributed to policyholders in dividends, an increase for the sixth successive year, again reducing the cost of life insurance to holders of participating policies.

84 YEARS OF PUBLIC SERVICE

A summary of the progress of Canada's leading life company since the first Sun Life policy was issued in 1871.

| | Insurance Sold During Year | Insurance in Force | Benefits Paid During Year | Total Benefits Since Organization |
|---|---|---|---|---|
| 1879 | $ 1,491,861 | $ 3,632,783 | $ 25,599 | $ 105,630 |
| 1894 | 9,624,774 | 31,528,570 | 362,387 | 2,712,672 |
| 1909 | 21,509,273 | 129,913,670 | 2,824,184 | 23,266,579 |
| 1924 | 137,466,385 | 881,592,937 | 31,881,639 | 184,337,003 |
| 1939 | 194,181,820 | 2,938,478,254 | 89,927,723 | 1,295,635,072 |
| 1954 | 696,906,785 | 6,038,445,395 | 134,351,335 | 2,866,296,344 |

FINANCIAL STATEMENT AS AT DECEMBER 31, 1954

| ASSETS | | |
|---|---|---|
| Bonds — Government, municipal, public utility and other | | $1,264,106,964 |
| Stocks — Preferred and guaranteed | | 28,394,452 |
| Stocks — Common | | 99,850,860 |
| Mortgage loans on homes, industrial plants, etc. | | 323,343,975 |
| Real estate — Company buildings | | 11,156,468 |
| Real estate — Held for investment | | 13,112,045 |
| Loans to policyholders on their policies | | 81,443,662 |
| Outstanding premiums | | 15,023,736 |
| Interest and rents due and accrued | | 16,407,446 |
| Cash | | 20,468,946 |
| Other assets | | 2,904,510 |
| | | $1,876,213,064 |
| LIABILITIES | | |
| Actuarial liabilities: | | |
| Insurances | $1,068,996,039 | |
| Annuities | 420,533,273 | $1,489,529,312 |
| Policy proceeds and other amounts left at interest for future distribution to policyholders and beneficiaries | | 174,152,753 |
| Reserves on Company pension plans | | 12,098,202 |
| Death claims reported for which proofs had not been received at December 31st | | 9,830,503 |
| Provision for unreported death claims | | 2,905,096 |
| Matured endowments, annuity and dividend payments awaiting discharge | | 6,210,614 |
| Dividends payable to policyholders during balance of dividend year and dividends contingently allotted | | 20,054,043 |
| Taxes and expenses due and accrued | | 6,378,980 |
| Miscellaneous liabilities | | 14,018,113 |
| Investment reserve | | 10,000,000 |
| Accident and sickness insurance fund | | 384,179 |
| Capital stock $2,000,000 and Shareholders' account $2,414,757 | | 4,414,757 |
| Contingency reserve | $ 15,000,000 | |
| Surplus | 111,236,512 | 126,236,512 |
| | | $1,876,213,064 |

SUN LIFE OF CANADA

*Leader in world-wide life insurance, the Sun Life of Canada gives unequalled service to policyholders from branches situated in strategic key centres around the globe. IN CANADA: 50 offices . . . IN THE UNITED STATES: 56 offices . . . IN THE BRITISH ISLES: 26 offices . . . IN LATIN AMERICA: Buenos Aires, Havana, San Juan . . . IN INDIA AND CEYLON: Bombay, Calcutta, Madras, New Delhi, Colombo . . . IN SOUTH AFRICA: Cape Town, Durban, Johannesburg . . . and IN: Hong Kong, Malta, Manila, Singapore, and the West Indies.*

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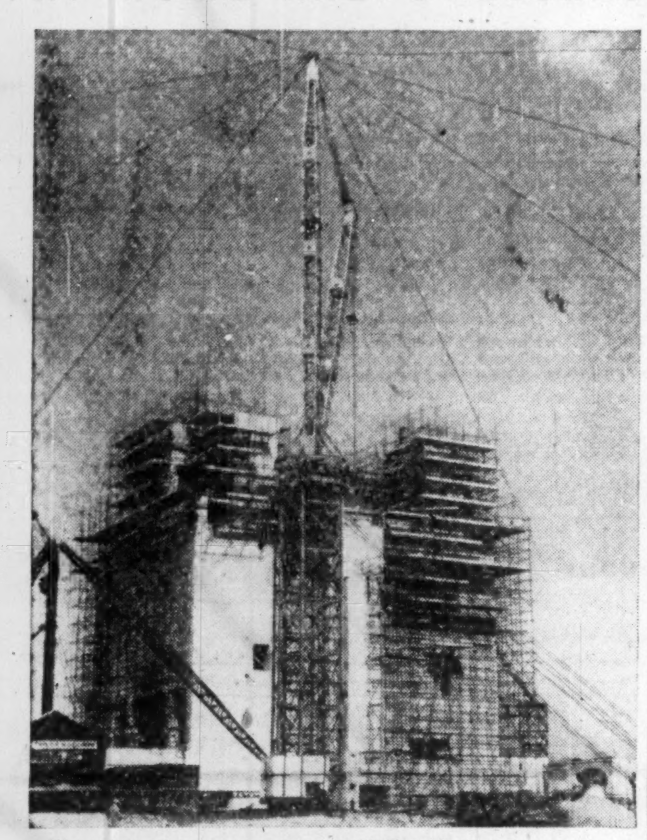
ROYAL SECURITIES COMPANY
*Members*
*Montreal Stock Exchange Canadian Stock Exchange*
*The Toronto Stock Exchange*

55-4

*Building for the Future*

AT HOME AND OVERSEAS



*Photograph shows the huge concrete structure of one of the Thermal Reactors during construction.*

BRITAIN'S FIRST ATOMIC ELECTRICITY GENERATING STATION
The civil engineering and building work at Calder Hall, is being carried out by Taylor Woodrow for the United Kingdom Atomic Energy Authority.

'When we build, let us
think that we build for ever'

*John Ruskin*

TAYLOR WOODROW
Building and Civil Engineering Contractors
24 Isabella Street, Toronto 5

From the very beginning of any scheme, clients and consultants will find that it pays—in terms of economy and speed—to call us into full collaboration.

PETE: *Say, Jim, do you remember what happened in 1953, following those 10 and 12 million share days?*

JIM: I sure do — mining and oil markets just collapsed, and I got nipped. With *your* experience, I guess you knew better!

PETE: *No, Jim, it wasn't experience that told me. Experience really means very little, because market behaviorism changes. I'm a CO-ORDINATOR client, and they told me to sell in '53.*

JIM: Exactly how does CO-ORDINATOR *know* these things, Pete?

PETE: *For one thing, they keep 9 daily group market charts, on which are price patterns, buying power signals, selling pressure signals, and a lot more. I didn't understand their exclusive methods till I went in and saw them at work.*

JIM: That's interesting! Do they tell you exactly what stocks to buy, and what stocks to sell?

PETE: *You bet! They gave me Falconbridge at $14.00 a few months ago, and Gunnar at $8.20—look at them now. Look, Jim, why don't you be a CO-ORDINATOR client yourself and start to make some money? You don't have to go in and see them, just you fill in the coupon below and mail it TODAY.*

FP-6-55

THE CO-ORDINATOR, 21 King Street East, Toronto

Please send me a 4-week Trial Subscription, for which I enclose $3.00.

NAME ..............................................

ADDRESS ..............................................

# To Ask Higher Phone Rates For Manitoba

**From Our Own Correspondent**

WINNIPEG — The Manitoba Telephone Commission, which since before end of the war hasn't been able to install phones fast enough to keep up with applications for service, is about to ask for an increase in rates.

There has been no increase since 1921. Provincial local and rural rates which were authorized then were reduced during the 1930 depression and have never been brought up to the figures authorized in the 1921 increase.

The Commission has submitted a schedule of higher rates to the Government which will likely approve it as presented, or in any event with only slight changes. The application for increase will be made to the Municipal and Public Utility Board.

For the first time in 22 years, the fast-expanding system reported an operating loss for the year which ended March 21, 1954. Its report said it went behind $302,654. For this year the operating loss will be considerably more.

An interim report covering the eight-month period from April 1, 1954 to Nov. 30, stated total operating losses had risen to $672,581, and by the end of the current fiscal year on March 31 will have likely reached about $800,000.

Since 1932 the utility has always reported an operating surplus. In the postwar period heavy capital borrowings were made for expansion and even yet there are 4,590 applications for which service hasn't been provided. This is the lowest of the past seven years. Since the war there have been several wage increases, costs of materials are higher, borrowed money for expansion has increased interest charges, and heavier write-offs required for depreciation. Only by higher rates can accounts be balanced, commission states.

Last month the system installed its 200,000th phone in residence of a Brandon subscriber.

The 1921 schedule authorized rates of $3.65 per month for telephones in residences in Winnipeg and rates from $6.50 to $8.15 per month for Winnipeg business services.

For rural lines the rates fixed were from $4.30 to $4.80 for business purposes and $3.80 to $4.30 for residences on farms.

No figures have been given to indicate what increase will be asked.

## COMPANY REPORTS

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

### Financial

**STERLING TRUSTS CORP.** net profit for 1954 was $125,763, 14.7% higher than net for 1953 of $109,678.

Estates, trusts and agencies account increased from $8.5 millions to $9.1 millions. Guaranteed trust account was up from $7.1 millions to $9.0 millions and capital account rose from $1.4 millions to $1.5 millions. Total increase in company's assets was $2.7 millions to $19.7 millions.

During the year, R. T. Birks succeeded to the presidency of the company on the death of Charles Bauckham.

In addition to the operating profits, annual report notes a profit of $47,560 on sale of a building in Regina.

Dividends paid during the year amounted to $72,740, compared with $63,370 last year.

Report also announces appointment of H. T. Burgess as a vice-president and N. F. Peterson as a director.

| | 1954 | 1953 |
|---|---|---|
| Liabs. to pub., etc.* | $9,117,730 | $7,188,531 |
| Sh'holders' equity | 1,453,260 | 1,345,706 |
| *Secured by: | | |
| Mtges. & sls. agree. | 6,667,561 | 5,584,539 |
| Office premises | 21,482 | 97,826 |
| Liquid assets♦ | 3,881,947 | 2,851,872 |
| **Total** | 10,570,990 | 8,534,237 |
| ♦Includes bonds and stocks. | | |
| Estates account | 9,129,704 | 8,504,419 |
| **Net profit** | 125,763 | 109,678 |
| **Earned per share** | $2.75 | $2.42 |
| Paid | 1.40+0.20 | 1.20+0.20 |

**BROCKVILLE TRUST & SAVINGS CO.** net profit for 1954 was $51,692, 5.6% higher than net for 1953 of $48,937.

| | 1954 | 1953 |
|---|---|---|
| Liabs. to pub., etc.* | $2,510,468 | $2,255,941 |
| Res. for invest. | 50,000 | 50,000 |
| Sh'holders' equity | 1,085,375 | 952,905 |
| *Secured by: | | |
| Mtges. & sls. | 2,914,748 | 2,680,723 |
| Furn., fixt., etc. | 2,950 | 3,652 |
| Off. premises site | 43,405 | 45,163 |
| Liquid assets♦ | 684,740 | 529,308 |
| **Total** | 3,645,843 | 3,258,846 |
| ♦Includes bonds and stocks. | | |
| Estates account | 3,235,648 | 2,842,201 |
| **Net profit** | 51,692 | 48,937 |
| **Earned per share** | $3.69 | $4.08 |
| Paid | 2.50+0.50 | 2.50+0.50 |

# Three U.S. Firms Now Seek Potash In Saskatchewan

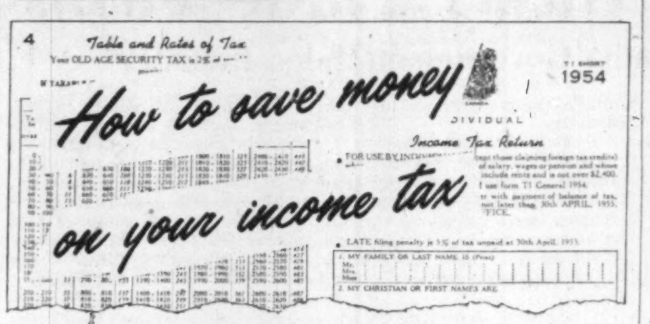
International Minerals & Chemical Corp. of Carlsbad, New Mexico is the third and latest U.S. company seeking to develop extensive potash beds in Saskatchewan.

The Saskatchewan Government has recently granted six potash withdrawal areas to International Minerals. The Carlsbad potash-producing company applied for and was granted approximately 600,000 acres. Two areas are south and east of Yorkton, three west and north of Yorkton, while the sixth is immediately south and west of Quill Lake.

In addition, Poplar Oils Ltd., Calgary, was granted 100,000 withdrawal acres in the Saskatoon area.

Other U.S. companies in the picture are Potash Co. of America and Duval Sulphur & Potash Co.

## YOU ASKED US


4
Table and Rates of Tax
How to save money on your income tax
1954
Income Tax Return

***If you dont know all the details of deductions, dividend allowances, depletion, etc., you may be paying more income tax than is necessary. Your sole legal and moral responsibility is to meet the legislative requirements. You don't have to cheat to save money.***

***Here is another in a Financial Post series dealing with common questions on income tax. Remember the personal income tax deadline is April 30.***

**I came to Canada from Scotland about Aug. 1, 1954, and started to work at the beginning of September. I am married and have two children, aged three and six, but don't get Family Allowance for them because I haven't been in the country a year yet. My employer has been deducting income tax from me each pay. Am I liable for Canadian tax? What deductions can I claim when computing my tax?**

Yes, you are liable for Canadian tax, but on your Canadian income only. You are allowed to deduct that proportion of the personal exemptions that the number of days you have been in Canada bears to 365. Thus suppose you had been resident in Canada for the whole year, you would have an exemption of $2,000 as a married man, plus $400 for each child not eligible for Family Allowances, of $2,800 in all.

But as you were resident in Canada only five months or 153 days, you are allowed an exemption of 153/365 of the full exemption. Thus you would take your full Canadian earnings and deduct from them 153/365 of $2,800. You could also deduct charitable donations up to 10% of your income, medical expenses provided such expenses were incurred in Canada and of other deductions allowed for persons totally blind or confined to a wheel chair, etc. If your children had been entitled to Family Allowance on Dec. 31 you would have been able to deduct only 153/365 of $150 for each child. If your wife has an income of her own of over $250, your exemption as a married man would be reduced by the excess over $250 but not over $1,000.

**(1) I have a number of bonds, government, municipal and corporation. I have not cashed the coupons because I understood that as long as I did not cash them, I didn't have to report them as income — until they were cashed. Now a friend tells me that while this practice is allowed as regards government bonds, it is not allowed on corporation bonds. Which is right?**

**(2) Suppose I sell some of these bonds when I have not cashed the coupons? Can I clip them then and either cash them and report them as income for that year, or perhaps keep them uncashed for several years as I have been doing?**

(1) Yes, the policy is the same on corporation bonds as on government bonds.

(2) When you sell bonds with coupons which you have not cashed as they matured attached, it would be permissible to clip them and you could either cash them then and report them as income that year or keep them uncashed for some years as you have been doing, provided you report on a cash basis.

**My father died during November, 1954. He had his usual income that year. What's the procedure as regards his income tax return?**

His legal representative, executor or trustee should make the return within six months of the date of his death. The return is made in the usual way and signed by the person representing the deceased.

**My wife has some mining company shares which pay dividends; also some industrial shares. But she has not a taxable income. If she paid tax she would be entitled to deduct depletion allowance from the mining company shares and also the dividend credit allowance on all shares.**

**Her total income is about $450 and I have to deduct the excess over $250 from my own exemption as a married man. Would I be allowed to deduct the depletion allowance and the dividend credit from her dividends before computing my exemption?**

No. You would not be allowed to do this unless her stocks were originally bought with money she received from you. In that case the dividends would still be considered your dividends and taxable in your hands.

**Last year I inherited about $25,000 from an uncle. The estate has not been settled yet, so while I received some of the bequest in 1954, I didn't get it all. I expect to get the balance this year. As my inheritance had been invested partly in securities and partly in real estate, there had been some income earned by the assets before I received them. How does this inheritance stand for income tax both for 1954 and 1955?**

There is no income tax on capital bequests. But income earned by the assets after your uncle's death and before you received them is considered your income and subject to income tax.

**I have quite a large 10-roomed house and rent the top floor—three rooms. Am I allowed any deduction for heat, light, water and telephone I supply my tenants?**

Yes, you are entitled to deduct from the gross rental the proportion of charges applicable to the part rented, including heat, light, water, and phone, proportionate capital cost allowance, taxes and interest you pay on a mortgage if there is one.

**I have a business of my own in town which is my main source of income. But I also have a farm a few miles out which I operate and from which I sometimes make a profit. In 1954 my farming operations showed a loss. What part of the loss, if any, can I deduct from my other income from my business, investments etc.?**

If the tax department determines that farming is not your chief source of income nor one of a group forming your chief source of income, you can deduct from your total income from all sources for 1954, half the loss from farming, computed without any capital cost allowance, or $5,000, whichever is the lesser.

**My wife and I employ two domestic servants, both of whom get top cash wages, also separate bedrooms with private bathroom. How do we compute the value of their board and living quarters for income tax purposes?**

Some years ago the tax department gave a range of $3.50 to $7 a week as a guide in computing the value of domestic servants' board and room supplied. In view of the accommodation supplied in your case the department might suggest a higher value than that shown.

**CITY OF NELSON,** B.C., has sold $270,000 4% 20-year serial debentures to a syndicate consisting of A. E. Ames & Co. and the Canadian Bank of Commerce at 101.15. Cost—3.86%. Proceeds for a grant toward construction of a new hospital and nurses' home by the Kootenay Lake General Hospital Society.

A DIVIDEND EVERY 44 HOURS
on the average is reinvested to expand the investments behind MAF shares
115.7% INCREASE
In Per Share Net Asset Value
From Jan. 31, 1950 to Nov. 30, 1954

M·A·F
MUTUAL ACCUMULATING FUND

LATEST REPORT AND
PROSPECTUS—ON REQUEST

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44 KING ST., W. . . . . . TORONTO

OSLER, HAMMOND & NANTON
Limited
MAIN & PORTAGE AVE., WINNIPEG
1838 HAMILTON ST. . . . . REGINA
NO. 302 C P R BLDG. . SASKATOON
510 - 8TH AVE. W. . . . . CALGARY
525 SEYMOUR ST. . . VANCOUVER

The Western City Company
Limited
544 HOWE ST. . . . . . VANCOUVER

The Shawinigan Water
and Power Company

*Offer to*
*Common Shareholders*

***Basic Subscription Right***
Shareholders of record as at the close of business January 31, 1955 have the right to subscribe for additional shares at $46 per share in the proportion of one share for each ten shares held.

***Additional Subscription Privilege***
Each shareholder who subscribes for the maximum number of full shares under his Basic Subscription Right may at the same time subscribe, subject to allotment, at the same price for a further number of full shares not exceeding the number of shares subscribed for under the Basic Subscription Right.

The Basic Subscription Right and the Additional Subscription Privilege expire on February 28, 1955.

***We offer our facilities to investors to—***
*(a) Exercise their "Rights"*
*(b) Purchase "Rights" or shares*
*(c) Sell all or part of their "Rights"*

*Additional information will be furnished on request.*

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OF every $8000 handed you by your customers, it is estimated that $7000 goes back in change — $7000 that could make or break your profit picture. Too much change could wipe out profit — too little may lose you a customer.

The National "6000" prevents this by eliminating human error!

Every step in your sales transaction from the amount of purchase — to amount tendered — to correct change is computed *automatically*—and correctly! Human error can't happen!

A 004.18 TOTAL
A 010.00 AMT TEND
A 005.82 YOUR CHANGE

AMOUNT OF PURCHASE—The total of your customer's purchase is indicated first.

AMOUNT TENDERED—Next, ring up the amount handed you by your customer.

CUSTOMER'S CHANGE — Now press "CHANGE" key—automatically the correct change is computed and indicated.

NATIONAL NOW COMPUTES CHANGE AUTOMATICALLY!

Ask your nearest National Representative for a demonstration of the National "6000" — no obligation — he's listed in the YELLOW PAGES under "Cash Registers — National."

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*The National Cash Register*
*Company of Canada Limited*
*Head Office: Toronto*
*Sales Offices in Principal Cities*

A 005.82 CHNG

## New Appointments

Osler, Hammond & Nanton Limited announces the appointment of Mr. T. W. Meredith as Manager of its Calgary Branch, and of Mr. E. S. Buchan as Assistant Manager of the Calgary Branch.

Mr. Meredith will continue to act as Manager, Investment Securities Department, Calgary, and Mr. Buchan will continue to act as Manager, Insurance Department, Calgary.

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# *Sweden's Husky Trade Twins*

## How a Socialist Government Helps Industry

***Sweden, one of the world's great trading nations, presents a unique picture of socialism and free enterprise. Here is a special report by Robson Black, president of the Canadian - Scandinavian Foundation, following one of his frequent visits to Sweden.***

**By ROBSON BLACK**

**President, The Canadian-Scandinavian Foundation.**

STOCKHOLM, Sweden — Any Canadian wanting to see a Socialist government operate "free enterprise" might well spend a few weeks in Sweden.

Here, after some 20 years of "Social Democrat" rule, few trophies have been added to "nationalization" and 93% of the industrial output continues to be accounted for by the capitalist sector.

Today, since the Socialists have joined with the Farmers' Party to sustain their authority in the Swedish "House of Commons," any lurking threat to private ownership has perceptibly diminished. Whatever threat there may have been certainly gained no popularity from a government commission's report that public ownership and operation of industry would defeat its own purpose by withdrawing workmen from private companies, already hard-pressed for labor.

To Canadian eyes, no nation in the world offers such a hapless prospect for the starry-eyed doctrinaire as does Sweden. To any listening circle you may unfold a plausible theory only to have a chorus of voices answer: "Does it work?"

Most Swedes who employ people, or get a pay cheque from someone, know their nation lives by foreign trade and not "blue sky." Pulp and paper products, ships, iron ore, special steels, the output of machine shops — these things face stiff world competition in their search for markets. Some large firms look to the foreign buyer to take 80% of their production, and a serious fall in foreign sales becomes a real calamity.

### Help Foreign Trade

Sensitive to the foreign trade position, as the Swedish government is bound to be, certain incentives have been allowed to help corporations retain their world position and to maintain full employment and pay severe taxes.

A company, for example, can improve its productive record by adding new machinery which can be written off against taxes at 20% a year during five years. Inventories also can be depreciated heavily.

Under an earlier and more generous law, the Swedish-American Line was able to build the luxury liner Kungsholm and charge off its entire cost, amount- to $15 millions at the exchange rate in dollars and double that in purchasing power within Sweden, against a single year's tax account.

How stimulating to the country's economy this plan proved was shown by two instances confirmed during the writer's recent travels. Through a new machine or two, and a streamlining of operations, a plywood mill raised output by 50% with no increase in labor costs. A kraft paper mill reported that a new machine had added more than 55% output, with 20% extra on the labor bill.

Whether in the cases of the Kungsholm or the kraft machine, the sacrifice of tax collections by the government for one or five years means only that company earnings will probably be enhanced in the following years when the public treasury will recover its sacrifice and a lot more besides.

Not a little criticism of this scheme of taxation write-offs comes from the minor shipowner and the small proprietor who has no borrowing power for capital improvements and must jog along as he is and face the tax bills as they arrive.

In country of seven million people, such as Sweden, obligatory contributions to government social welfare schemes amount to more than $500 millions anually, added to which is an expenditure on military preparedness of $300 millions. (Sweden has the largest force of jet fighter planes of any country in non-Russian Europe.) These multitudinous distributions of tax revenues, plus a long string of corporate payments for pensions, schools, recreation, and other "fringes," have to come from national earnings.

Nor is it allowable, as in Canada, for anyone to deduct his charitable or philanthropic gifts from taxable income. Despite these ever-widening bites into personal and corporate profits, most of Sweden's industries are in a well-consolidated position. Company finances are sound and dividend policies conservative.

Only at rare intervals does any Swede speak of "protective tariffs." Ninety per cent of Sweden's imports are duty-free. Where duties are imposed, the burden averages not more than 6%, slightly higher than Denmark's, which is the lowest in the world.

Here and there, German goods threaten the sale of domestic manufactures, but the Swedish producer relies confidently upon his established name, the soundness of his wares, and the accessibility of his service.

At times, the suggestion is made that the government keeps the tariff wall at almost ground-level to keep industrialists on their toes. The more pertinent truth is that the nation is traditionally of the free-trade mind and sees no reason to change it.

# COMPANY REPORTS

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

## Textiles

**BRUCK MILLS LTD.** consolidated net loss in the fiscal year ended Oct. 31, 1954, amounted to $28,890. In the previous year consolidated net loss was $270,594.

Lineal yardage sales increased by 10.7%, representing approximately 1.4 million yards. Dollar volume declined 1.97% below last year to $12.8 millions. A reduction of about 11% in average selling prices accounted for the decline, says President Gerald L. Bruck, but the greater yardage sales largely compensated for the lower prices.

Mr. Bruck points out that this was the fourth annual report in which he had commented on the inadequacy of the anti-dumping sections of the Customs Act. Last year's amendment, he says, was "not adequate to correct the basic problem of U. S. and other foreign producers selling goods in the Canadian market at or below cost."

Capital expenditures of $407,472 were made to maintain plant and equipment.

CONS. INCOME ACCOUNT

| **Years Ended Oct. 31:** | 1954 | 1953 |
|---|---|---|
| Net earnings | $565,075 | $169,609 |
| Less: Deprec. | 593,965 | 611,213 |
| Inc. tax. res. | ...... | *171,010 |
| **Net loss** | 28,890 | 270,594 |
| Less: Dividends | ...... | 225,000 |
| **Deficit for year** | 28,890 | 495,594 |

*Credit.

| **Earnings per Share and Dividend Record:** | | |
|---|---|---|
| Class A† | d$0.23 | d$2.16 |
| Class A‡ | nil | nil |
| Paid | nil | 0.90 |
| Class B† | d$0.72 | d$1.68 |
| Class B‡ | nil | nil |
| Paid | nil | 0.45 |

†Before (‡after) participation.

Note: Class A dividends in arrears $1.50 per share as at Oct. 31, 1954.

CONDENSED CONS. BALANCE SHEET

| **As at Oct. 31:** | 1954 | 1953 |
|---|---|---|
| Cash | $70,336 | $64,865 |
| Accts. rec. less res. | 1,960,973 | 1,857,047 |
| Tax recov. | 2,889 | 175,638 |
| Life insur., etc. | 33,583 | 31,263 |
| Inventories | 3,674,189 | 3,376,950 |
| **Total curr. assets** | 5,741,970 | 5,505,763 |
| Misc. assets | 729,298 | 689,170 |
| Fixed assets* | 3,791,500 | 4,002,526 |
| **Total assets** | 10,262,768 | 10,197,459 |
| Bank loan | 2,835,000 | 2,595,000 |
| Accts., taxes, etc., pay. | 956,640 | 888,226 |
| **Total curr. liab.** | 3,791,640 | 3,483,226 |
| Term bank loan | 450,000 | 600,000 |
| Conting. res. | 420,000 | 420,000 |
| Capital stock | 787,500 | 737,500 |
| Capital surplus | 1,140,623 | 1,222,982 |
| Earned surplus | 3,673,005 | 3,683,751 |
| *After depr. of | ‡6,051,526 | ‡5,439,862 |

‡Includes $840,086 in 1953, $918,965 in 1954, res. for amort. of appraisal apprec.

| **Working capital** | 1,950,330 | 2,022,537 |
|---|---|---|

## Insurance

**MONARCH LIFE ASSURANCE CO.**, Winnipeg, new business in 1954 totaled $39,973,491, including life insurance and annuities. This was 4.1% higher than 1953 sales of $38,407,175, previous all-time high.

Business in force at the end of 1954 amounted to $261,304,063, up 8% from $241,938,332 a year earlier. Premium income rose to $5,653,488 ($5,144,992) and investment income to $2,137,366 ($2,017,362). Net rate of interest earned was 4.64% (4.61% in 1953).

Surplus in insurance funds was increased by $342,159.

| | 1954<br>$ | 1953<br>$ |
|---|---|---|
| Business in force | 261,304,063 | 241,938,332 |
| New business | 39,973,491 | 38,407,175 |
| Total business | 7,790,854 | 7,728,577 |
| Premiums | 5,653,488 | 5,144,992 |
| Invest. inc. | 2,137,366 | 2,017,262 |
| Other | ...... | 566,223 |
| Policy pay'ts | 2,423,041 | 2,252,797 |
| Pol. funds withdr. | ...... | 438,402 |
| Inc. in pol. reserves | 3,235,835 | 2,841,284 |
| Divds. to sh'holders | 46,549 | 46,335 |
| Expenses | 1,758,551 | 1,725,424 |
| Inc. in cont. fds., etc. | ...... | 150,000 |
| Inc. in surp. | 326,878 | 274,335 |
| Liabs. to P'holders incl. actuarial res. | 42,461,363 | 39,312,825 |
| Conting. reserves | 2,000,000 | 2,000,000 |
| Liabs. to sh'holders | 389,030 | 336,680 |
| Prov. for p'holders profits | 865,502 | 783,038 |
| Other liabs. | 950,731 | 826,701 |
| Total assets | 49,295,736 | 45,559,067 |
| Surplus* | 2,629,110 | 2,249,823 |
| Int. earn. (gross) | 4.83% | 4.78% |

*In 1954 surplus was allocated, $121,388 to Shareholders Fund and $2,507,722 to Insurance Funds; $134,260 and $2,115,563, respectively, were allocated in 1953.

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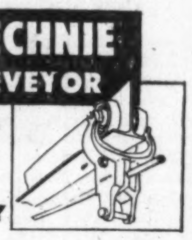

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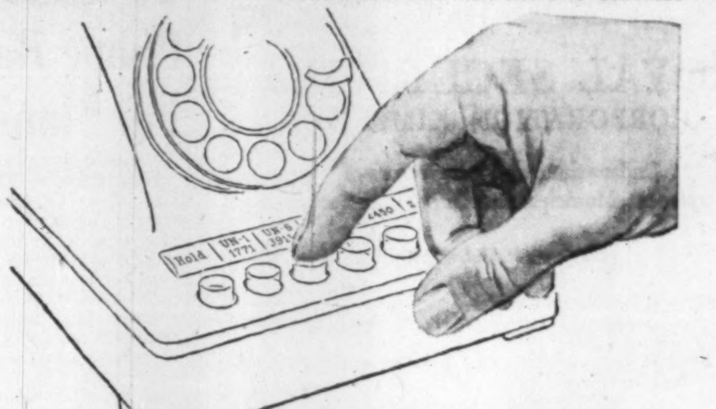

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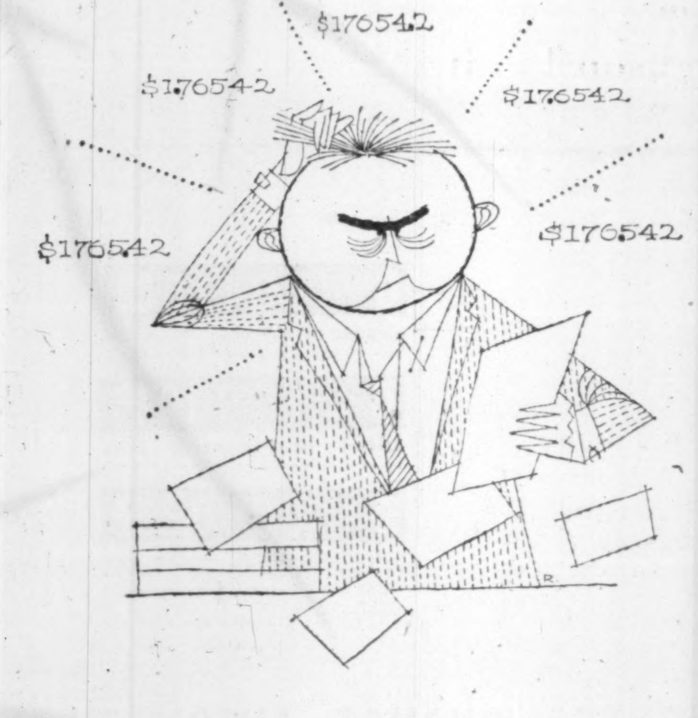

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*C. S. Robertson, President and General Manager, in presenting the 100th Annual Report of the Canada Permanent Mortgage Corporation said in part...*

"I am happy that we are able to celebrate this centenary annual meeting with the best financial statement this Corporation has ever submitted to shareholders. The past few years have produced several excellent statements and the good results of this year are particularly acceptable on this anniversary occasion.

"Profits for the year are $191,000 higher than for 1953, mortgages are up $9,042,000, bonds and stocks owned increased $14,500,000 and cash on hand is greater by $1,100,000. Deposits increased by $11,600,000 and Canadian currency debentures are up $12,700,000. Total assets at $134,500,000 increased from last year by $24,500,000. It is interesting to note that this increase in assets is more than the total amount of the Corporation's assets of $24,100,000 when we completed our first fifty years in business at the end of 1904.

"Our assets, combined with those of The Canada Permanent Trust Company, have now passed the quarter-billion dollar mark.

*Valuable Heritage of Tradition*

"At this meeting, I should like to recall for you the valuable heritage of tradition and policies passed on to us by our predecessors. It was one hundred years ago that a clear-thinking, progressive young accountant, J. Herbert Mason, organized a new company along unprecedented lines. Building societies of the temporary or automatically terminating type had existed previously. Mr. Mason introduced the idea of permanent capital stock, enabling the Canada Permanent to make loans to the public, to accept deposits and later on to issue debentures. We were the first financial organization in Canada to accept savings deposits and to pay interest on them.

"At the first annual meeting, the paid-up capital was reported as $31,000, deposits were $32,000 and assets were $68,000. However, the test then, as today, was that a profit was made and a dividend allocated. Ever since that time, the profits realized have been such that the Company has never missed paying dividends to shareholders.

*Remarks from 1905 Annual Report*

"I think you will be interested in certain remarks made at the annual meeting in 1905: 'This is the Jubilee year of the Canada Permanent which was organized early in 1855 and which, from that date to the present, has never failed to meet promptly every obligation. In respect to the extent of its business, its revenue-earning power and the uniformly prosperous position it has invariably maintained, it stands unrivalled among Canadian Land Mortgage Companies.' Here today, fifty years later, after being through two world wars, several minor recessions and one major depression, we can be proud that these remarks apply so appropriately to our report of 1954. If the lessons of the past have been absorbed, our first century should be only the foundation for much greater activity and growth during our second century.

"We are confident that the Canada Permanent will play a significant part in the future of Canada by promoting thrift, fostering home ownership on a sound basis and actively contributing to the general prosperity of the people."

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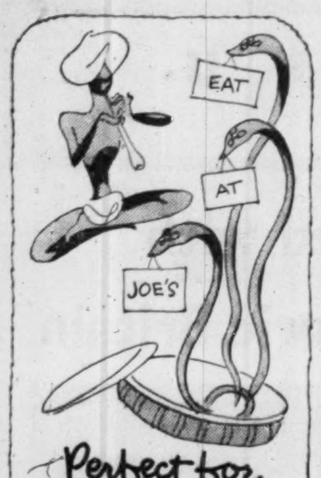

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# Good Business Ahead, But—

## Recovery Pattern Will be Spotty, say Buyers

***Restrained optimism over business in 1955 with evidences of firming prices here and there are the highlights of the February business reports of the Purchasing Agents Association of Toronto.***

**Business Trends:** Business activity in 1955 is expected to average moderately higher than in 1954. The greatest improvement is expected in the first half. One of the major supports of the economy will be the building boom. Considerable increase in dollar volume is expected over last year, providing construction costs remain at levels that will continue to attract investors.

Business is on the way back from the mild adjustment of 1954, but the pattern of recovery will be spotty. Creation of new productive capacity appears to be on a smaller scale, but the prospect is that spending power and readiness of the consumer to spend more, will more than make up for the reduction of productive capacity.

More favorable influence has entered the Canadian trade picture in the form of a substantial increase in overseas demand for raw and processed materials from Canada. Despite these signs the warning signal is still up that Canadian manufacturers will continue to face stiff competition from foreign imports. To meet this situation Canadian businesses have been called upon to eliminate waste, increase their output per worker, needle their salesmen, inspire their advertising men, or even in a pinch, improve their product.

**Labor:** The employment situation gradually becomes more critical. This month there are nine areas classified in the substantial labor surplus group, 68 areas in the moderate surplus group, and 32 areas reporting approximate balance of manpower.

The textile industry appears to have called a halt to its three-year recession and is showing signs of some improvements. With the view of alleviating unemployment on the West Coast, the Provincial Government has requested employers to eliminate overtime work and hire additional labor, and this policy, if adopted across the Dominion, would spread the payroll dollars much further. It could be the forerunner of a six-hour shift to give a third more employment in industries working "around the clock."

**Construction Materials:** Construction costs will continue firm in 1955 and competition will help stabilize material prices, says the Canadian Construction Association.

Prices are probably being maintained due to the past and proposed extent of construction work, and more efficient manufacturing methods. Plants which were redesigned and plants put into initial operation within past few years are not only enlarging their capacities, but producing more diversified products. Examples of these are the cement, sand and gravel, concrete pipe, steel producers, etc. A manufacturer of reinforcing steel had a drop of slightly over 10% in his 1954 production, but anticipates this will be recovered in 1955.

**Electrical Materials:** Look forward to a continuance of good business with firmer prices and a better level of general conditions. The construction industry is still keeping up and if only half of the contemplated building materializes we are in for a good year. Prices have reached the stage where they can now be guaranteed for at least a three-month period, which will help sales from a quotation standpoint.

**Food:** Florida orange crop estimates have been reduced and market for canned orange juice has been strengthened. Beef market continues firm with little change from earlier reports. Cattle supply is increasing and this could cause some easing of prices in the spring. Movement of feeder cattle from yards to farms in 1954 was up 16% from previous year and was an all-time record. This means that more cattle will be coming to market in months to come.

An increased supply of pork is predicted for this spring but price of hogs can't go below the government-set floor price of $23 per cwt. dress basis, Toronto.

**Textiles:** Until such time as Canada's textile industry can devise a method of entering the export field, it faces the prospect of continued marginal operations. Even in a country such as U. S. where home consumption remains at a high level, the cotton goods industry, for example, has suffered a severe drop in its export trade.

New developments in textile research should lead to more efficient production in 1955. Already many mills are asking use of the byproducts of the development of atomic energy. The textile industry faces 1955 with quiet confidence. Its problems are not yet solved, but certainly recognized, and properly evaluated. The general feeling seems to be that the worst is over.

**Gasoline, Fuel Oil and Natural Gas:** Gasoline prices are steady and stocks on hand are at about the same level as at same time last year. Two price cuts in Canadian crude oil combined with rising tanker rates will place our crude in a better competitive position on the West Coast.

It has been estimated that the current production of crude in Western Canada of slightly over 300,000 b/d will expand to about 700,000 b/d by 1965.

**Copper:** It is generally felt that copper will remain in tight supply for the next three or four months because of the Rhodesian situation and the smelter breakdown. Once the strike has concluded and the smelter repaired (smelter of American Smelting & Refining), the supply situation will ease and price revert back to approximately 30c a lb.

**Lead:** It is generally felt that the market will remain steady and no change in price take place.

**Zinc:** A price increase is expected. Liable to advance from ½c to 1c per lb. in the near future.

**Tin:** It is rather difficult to predict what will happen in the tin market as it is very largely governed by the political situation. If the tension in the Far East remains then there is a strong possibility that prices will go higher.

**Aluminum:** It is rumored that there will be an increase shortly.

**Steel:** Promising signs for increased business last fall and at the end of the year have materialized into a very decided upswing of mill bookings. Optimism among steel consumers has brought about the tightening mill position and orders being placed are realistic in that they are for the most part based on sales forecasts and not merely as a protection against the tightening picture.

Supplies of steel from European mills are very short. Prices have risen some $2 per ton, and, although delivered costs of bars and structurals are in general competitive in the Canadian coastal markets, supplies are not sufficient to meet the demand.

The scrap market has firmed considerably with fairly large export orders on hand, coupled with the increased demand for scrap from the mills because of the upswing in steel production. An increase is looked for.

**Rubber:** It is becoming clear that the sharp increase in rubber consumption in the U. S. (both crude and synthetic) last month was at some expense to existing stocks. Continued heavy demand for crude rubber over the next few months seems assured which may develop a tight supply situation and this may encourage still higher prices. In addition the critical situation in the China Sea adds fuel to the bullish trend.

**Chemicals:** As our rapidly expanding chemical industry continues to grow we find ourselves more and more in the same position as our American friends — faced with increasing competition from foreign producers.

**Paints:** Titanium continues in short supply. During the last two months prices have advanced 1½c per lb. due to higher prices for basic materials.

# Groups Studying New Brick Plants

Three different groups are studying establishment of brick-making plants in the Toronto area, The Financial Post understands

At the peak of the building season last year, there was difficulty getting some kinds of brick. The three groups said to be contemplating or planning new brick factories have been attracted by this supply situation and by the long-term building outlook in public favor masonry construction.

The Terra Cotta, Ont., district, north of Brampton, is mentioned as a possible location for a new brick plant.

One of the groups is said to be headed by Owen Sound residents who may be seeking outside capital. Another group is from the U. S. There have been earlier rumors of new brick plants without definite results. Local brick the metropolitan area. Building codes and to some extent the manufacturers have had expansions during the last few years but bricks have not been in an oversupply situation.

# COMPANY REPORTS

## Finance

**BRITISH MORTGAGE & TRUST CORP. OF ONTARIO** net profit of $123,068 in 1954, was 1.3% higher than net of $121,512 in 1953.

Guaranteed trust assets amount to $17.3 millions, $2.1 millions higher than 1953. Trust savings accounts now number 9,380 (9,267 in 1953) with an average of $1,078 ($700) per account.

Interest rates followed an uncertain course during the year, says Vice-President and Managing Director W. H. Gregory, and in accordance with the general advance in savings interest company increased its rate to 2½% on Jan. 1, 1954.

Mortgage holdings total $15.9 millions, and general reserve was increased to $1.2 millions, $200,000 more than the total of the paid-up capital.

| | 1954 | 1953 |
|---|---|---|
| Liabs. to pub., etc.* | $17,427,104 | $15,320,832 |
| Sh'holders' equity | 2,304,255 | 2,181,187 |
| *Secured by: | | |
| Mtges. & sls. agree. | 15,864,884 | 14,358,938 |
| Realty for sale | ...... | 1 |
| Off. premises | 44,205 | 36,788 |
| Liquid assets‡ | 3,822,270 | 3,106,292 |
| Total | 19,731,359 | 17,502,019 |
| ‡Includes stocks and bonds. | | |
| Estates account | 1,038,811 | 871,234 |
| Net profit | 123,068 | 121,512 |
| Earned per share | $12.31 | $12.15 |
| Paid | 8.00+2.00 | 8.00+2.00 |

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| | |
|---|---|
| Paid up Capital and Reserve | $ 1,725,000 |
| Guaranteed Trust Deposits | $ 15,531,356 |
| Assets under Administration for Estates, Trusts and Agencies | $115,898,702 |

●

Earnings for the year 1954 totalled $246,358 after payment of all operating expenses and after provision for depreciation and taxes. Dividends of 10 per cent were paid during the year and a balance of $93,157 was carried forward in Profit and Loss Account.

Total Assets under Administration at the year end were at a new high figure of $133,705,500.

●

*President and Managing Director*
Albert S. Fraser

*Vice-Presidents*
J. C. MacKeen
C. B. Smith, Q. C.

*Directors*
A. Kirk Cameron
Arthur H. Campbell
Michael Dwyer
H. L. Enman
C. M. P. Fisher
Henry J. Hague, Q.C.
J. G. Harrison
D. H. McDougall
Donald McInnes, Q.C.
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Hugh Mackay
Ira P. MacNab, M.E.I.C.
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Alfred Pickard
William T. Powers
G. H. Rennie, M.B.E.
D. C. Sinclair, Q. C.
Norman R. Whittall
W. N. Wickwire, M.B.E., Q.C.

*Assistant General Managers*
I. G. Sewell
T. J. Hanrahan

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|---|---|
| Montreal Trust Company, Toronto, Montreal, Winnipeg, Vancouver and Halifax; The British Empire Trust Company Limited, London, England. | Crown Trust Company, Toronto, Montreal, Winnipeg and Vancouver; the Company's bankers, Halifax; The British Empire Trust Company Limited, London, England. |

Conversion Privilege

The Preferred Shares 1955 Series will be convertible at any time up to and including but not after March 1st, 1965, or in the case of any Shares called for redemption, up to the close of business on the third day prior to the date fixed for redemption, whichever may be earlier, into fully paid common shares without par value as the same shall be constituted at the time of conversion, on the following basis:

(a) 10 common shares for each Preferred Share 1955 Series converted on or before March 1st, 1959; thereafter
(b) 8 common shares for each Preferred Share 1955 Series converted on or before March 1st, 1962; and thereafter
(c) 7 common shares for each Preferred Share 1955 Series converted on or before March 1st, 1965.

The provisions attaching to the Preferred Shares 1955 Series will provide for the adjustment of the conversion right in certain events including a subdivision or consolidation of common shares and the payment of a stock dividend on common shares.

**In the opinion of Counsel, these Preferred Shares 1955 Series will be investments in which the Canadian and British Insurance Companies Act states that any company registered under Part III thereof may invest its funds, without availing itself for that purpose of the provisions of subsection (4) of section 63 of said Act.**

The Company has made application for the listing of these Preferred Shares 1955 Series on The Toronto Stock Exchange and the Montreal Stock Exchange.

We, as principals, offer these Preferred Shares 1955 Series, subject to prior sale and change in price, if, as and when authorized and issued by the Company and accepted by us and subject to the approval of all legal matters on behalf of the Company by Messrs. Fraser, Beatty, Tucker, McIntosh & Stewart, Toronto, and on our behalf by Messrs. Tory, Miller, Thomson, Hicks, Arnold & Sedgewick, Toronto.

Price: $100 per share flat

It is expected that interim certificates for Preferred Shares 1955 Series will be available for delivery on or about March 1st, 1955.

A Prospectus, a copy of which has been filed under the provisions of the Companies Act will be furnished promptly upon request.

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Nesbitt, Thomson and Company, Limited
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# POST TRAVEL BUREAU

Where to go — how to go — where to stay

*"ASK A POLICEMAN"—the standard advice for the visitor to London. Every "bobbie" is trained to help the stranger in town. Here, on the South Bank of the Thames, opposite the Houses of Parliament and Big Ben, a couple take advantage of the friendly, walking information service.*

# They're Getting Ready For Battle of Budworm

MONTREAL (Staff)—A 6,000-mile trip of Canada and the U. S. is under way to round up 80 or more aircraft for the 1955 "Battle of the Budworm" in New Brunswick and Gaspé Peninsula.

Robert Rychliki, general manager of Wheeler Airlines, St. Jovite, Que., main contractors for the operation, has left to visit various spray outfits in Canada, the Pacific Northwest, California, Arizona and Texas.

His purpose—to get contracts for planes to spray pest-infested forests.

He expects he will have all the contracts signed by the time he returns to St. Jovite about mid-February. He will also have explained conditions of the flights, spraying operations, inspected the aircraft involved.

Rychliki, wartime fighter pilot and transport command officer, has been associated with the administrative end of the budworm project since 1952. He has a rigid schedule ahead.

In addition to established calls, he intends to scout the country for additional spray operators who might be brought into this year's operations.

His Canadian calls—Bradley Air Services at Ottawa and Carp, Ont.; Leavens Bros. and Austin Air Services at Toronto; Central Northern Airways, Winnipeg; McKenna Air Services, Regina; Aviation Services, Moose Jaw, McPhail Air Services, North Battleford, Sask.; Cascade Air Services, Chilliwack, B.C.; Skyways, Langley, B.C., near Vancouver.

After that, he heads for Yakima, Wash.—a key point of spray operations in the U. S.—California, Texas and Arizona

Most American operators who have figured in past projects will be sending their equipment on the lengthy ferry flight to New Brunswick and Quebec. However, such long hops are no novelty to the pilots who follow various crop-spraying seasons around the North American continent.

"The nature of our general manager's trip through Canada indicates an increase in Canadian spray planes participating this year," says F. H. "Tom" Wheeler, president of Wheeler Airlines. "It is a growing business in Canada. This comparatively new activity is resulting in demand for other agriculture and pest control spray operations, following the budworm project."

Mr. Wheeler said the trip enables finalizing of plans well in advance of the actual operation. It also clarifies many points without delay.

He pointed out that bringing the various operators to Eastern Canada at a specified time was a big job in itself. There are a number of technical customs and immigration formalities which must be arranged in connection with the temporary entry of U. S. aircraft and pilots into Canada. The rendezvous point is Montreal.

The spruce budworm battle begins in May or June, depending on the weather. This year it will cover about 2,000,000 acres in New Brunswick and Quebec. About 1,000,000 acres will be covered in each province.

## COMPANY REPORTS

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

### Insurance

**CROWN LIFE INSURANCE CO.** issued a record $191,130,000 in new business in 1954, up 12.7% from $169,735,000 in 1953. Insurance in force at Dec. 31, 1954, included $1,057 millions ordinary and $123.2 millions group. In addition, annuities in force were $37 millions ordinary and $43.8 millions group.

"The bulk of the 1954 increases occurred in Canada and the U. S., being about evenly divided between these two countries," reports President H. R. Stephenson.

Assets at $199,145,275 were 9.6% higher than the 1953 year-end total of $181,676,122. Of this, $65,051,164 was invested in mortgages, compared with $56,239,237 a year earlier. Gross interest rate was 4.50% overall, 4.89% on Canadian dollar assets, 3.94% on U. S. dollar assets, and 3.86% on other currency assets. Net interest rate earned was 4.12%.

"One of the best features of the past year was the quite appreciable decline in our mortality rate," says Mr. Stephenson. "The actuary estimates that this decline added nearly $600,000 to the year's surplus earnings."

Surplus earnings in 1954 were higher than in any previous year. After provision for current year's dividends, $1 million was applied to actuarial reserves and $1.5 million to general surplus.

Company's group accident and health department is "progressing favorably," said the president.

"Group accident and health contracts are now in force with annual premiums of $1.6 millions. The claims ratio is improving and is better than the average of the industry."

| | 1954 | 1953 |
|---|---|---|
| | $000 | |
| Ins. in force | 1,180,237 | 1,050,959 |
| New insurance | 191,130 | 169,735 |
| Annuities in force | 80,779 | 72,506 |
| New Annuities | 6,162 | 7,167 |
| Total income | 41,928 | 40,736 |
| Premiums | 34,139 | 31,120 |
| Inv. income | 7,483 | 7,236 |
| Other | 306 | 2,380 |
| Policy pay ts. | 15,610 | 14,010 |
| Taxes | 816 | 675 |
| Sh'holders divds. | 111 | 111 |
| Ledger assets w/d | ...... | 791 |
| Expenses | 8,417 | 8,523 |
| Incr. in surplus | 1,669 | 904 |
| Incr. in ledger assets | ...... | 15,722 |
| Incr. req. for future benefits | 15,315 | ...... |
| Liab. to pol'holders incl. actuarial res. | 179,350 | 165,033 |
| Taxes, etc. | 3,017 | 1,834 |
| Sh'holders funds | 1,138 | 1,058 |
| Conting. res. | 2,000 | 2,000 |
| Other res. | 3,900 | 3,600 |
| Total assets | 199,145 | 181,676 |
| Free surplus | 9,690 | 8,151 |
| Gross interest earned | 4.50% | 4.42% |

**INTERNATIONAL MINERALS & CHEMICAL CORP.** of Carlsbad, New Mexico, has been granted six potash withdrawal areas in Saskatchewan. This brings to three the number of Carlsbad companies acquiring potash rights in Saskatchewan. Others are Potash Co. of America and Duval Sulphur & Potash Co.

IN MONTREAL

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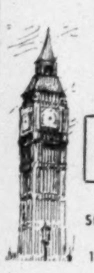

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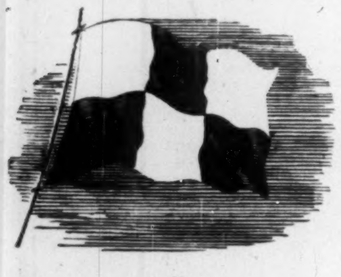

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Ontario Students thrilled with their visit to historic Britain

"We enjoyed every moment of our trip to Britain, actually visiting historic places we have so often read about" writes Miss Nancy Foggo, of Toronto, shown with her friends in the shadow of the Houses of Parliament and towering Big Ben.

"We recall many happy memories of our visit . . . the ever green and pleasant countryside, with picturesque thatched cottages and barns . . . historical castles and centuries-old abbeys . . . and the excitement of London, with its wonderful shops, theatres and pageantry" adds Miss Norma Dellow, also of Toronto. "We enjoyed lots of splendid food and just loved the displays of British goods in the shops." Why don't *you* plan now to visit Britain this year, whether you fly or take time to enjoy a leisurely sea voyage? For details, consult your local travel office, or write for literature and full information to:

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THE QUEBEC VIEW

# On Agreement With Ottawa

## Rowell-Sirois Report Outdated, Declares Gagnon

*Following is a digest of the comments of Finance Minister Onesime Gagnon on Federal-Provincial relations, during the presentation of the Quebec provincial budget recently:*

**By HON. ONESIME GAGNON**

The temporary settlement of the controversy created by the institution of a provincial income tax is the first step on the road to an improved system of taxation in Canada, that is to say a closer balance between the sources of revenue and the obligations imposed by the Canadian constitution upon public authorities.

The legend of the poor provinces is blasted away by progress. Alberta's oil resources in 10 years completely modified that province's economy. Important mining discoveries in Saskatchewan and Manitoba are giving these provinces a new lease on life. The case of the Maritime provinces remains to be dealt with. No one will object that the Federal Government should concern itself with those provinces. We believe, however, that the mine and copper discoveries in the Bathurst area may, in the next few years, greatly modify New Brunswick's economy. Be this as it may, the Federal authorities' responsibilities, just as those of the provincial governments, are heavy enough to engage them to remain in their respective spheres.

To sum up, an analysis of the present-day position proves that the recommendations of the Rowell-Sirois report now appear to be outdated. The underlying premises having changed, the same conclusions are no longer justified.

In my budget speeches I have had occasion to direct attention to the resistance offered in certain large federations to the centralization of federal powers, particularly in the U. S., Australia and Switzerland. During the last war, attempts at federal centralization were multiplied in these countries as in Canada.

For 1953, 29.8% of the national income was absorbed by taxation. The Federal Government keeps 73.8% of the taxation revenue, while the 10 provinces and thousands of municipalities and school boards divide 26.2%. We appreciate the Federal Government's heavy responsibilities but we may well ask ourselves whether the taxpayers' load is not rendered more burdensome by the duplication of public funds for objects which fall within provincial jurisdiction.

In wartime, the fiscal burden may represent a form of pressure which leaves to the taxpayers only the wherewithal to meet his indispensable expenditures. Normally, in peacetime this fiscal pressure should be relaxed. In fact, although we are passing through a period of peacetime economy we bear the burdens of a wartime economy inasmuch as one third of the national income finds its way into the state's coffers.

Has not the moment come for the Federal Government to endeavor to lighten the burden of the Canadian taxpayers and to strive to encourage him more than in the past to invest his savings either in bonds or in shares of private enterprise? The full employment theorists believe that the Government should be able to control the availability of jobs, by increasing or reducing programs of public works. At the present moment, to create further employment more of such works should be undertaken.

I do not intend by these comments to criticize the federal authorities; my only purpose is to stress certain facts which, in my opinion, annihilate the theories of the economists who appear to inspire our country's policy. You will find traces of these economists' theories, for example, in the Rowell-Sirois report and you will note, after having considered the present position, the extent to which these theories have not been borne out by the realities of the situation.

The budget for 1955-56 forecasts ordinary expenditures of $281.1 millions, leaving a surplus on ordinary account of $50.7 millions. Capital expenditures will aggregate $50.1 millions. Revenues are for 1955-56 estimated at $331.9 millions.

If we wish our province to maintain its distinctive characteristics and continue its forward march, we must ensure the progress and development of education and keep intact our cultural entities. Thus the estimates of the Department of Education are reaching this year a new record of $46,569,000.

From 1944-54, the Government paid special attention to the secondary schools, technical schools, arts and trades schools and universities. It is necessary to point out that the importance of the university problem went beyond our capacity for payment? Accordingly, the Executive Council decided to solve it by means of the income tax.

I do not propose to insist further on this matter, because the word on this question has not been uttered and we hope that the forthcoming federal-provincial conference will recognize the province's legitimate rights in fiscal matters. May I be allowed to point out, however, that even before the act was assented to and before the organization of the collecting services, the Prime Minister took adequate steps to pay grants to the universities and classical colleges and to increase the Government's contributions for the hospitalization of indigents in hospitals recognized under the Public Charities Act.

The budget for 1955-56 provides credits aggregating $5,411,700 for the universities.

The budget estimates were prepared with the single object of being useful to the great majority of the people of the province. Our underlying aims are a more diversified economy, wider markets for our agricultural products, better-paid jobs for our workers.

There is only one shadow which is for us a cause of concern: the centralizing pressure to which we are subjected and which might deprive us of our rights and of our tradition.

# Quebec Budget Anticipates Revenue Up, Less Spending

MONTREAL (Staff)—Quebec's revenues for fiscal 1955-56 will rise by about 1.4% over 1954-55, but ordinary expenditures may be cut back 2.7%—the first drop in at least 15 years.

Thus the expected surplus on ordinary account should climb to one of the highest on record. If so, it will more than pay for the province's capital outlays, which are also expected to be cut substantially.

Finance Minister Onesime Gagnon's budget for the year ending March 31, 1956 estimates total revenues at $331.8 millions, compared with $327.3 millions now forecast for 1954-55. There'll be no tax changes, but he expects to get $2 millions more from personal income tax, $1.3 millions more from gasoline tax, $700,000 more from taxes on corporations, and $1.4 millions more from motor vehicle licenses and permits.

On the other side of the ledger, ordinary outlays are expected to hit $281.1 millions, against $228.7 millions in 1954-55. Capital outlays will fall sharply to $50.1 millions from $64.6 millions.

The expenditure pattern reveals this: Cutbacks in roads, public works; increases in education, agriculture, social welfare and youth. Ordinary and capital outlays on roads will total $61.7 millions, down $12.1 millions from 1954-55. Public works will drop to $19.2 millions, off $3.2 millions.

Education shows the biggest gain; at $46.6 millions, it will be up $5.8 millions. Health outlays will actually be down about $400,000 at $60 millions.

The budget figures show that Quebec in 1954-55 expects to reap $90.5 millions from corporation income and capital taxes and personal income taxes. These are the fields covered in the tax rental agreements which Quebec has avoided. If it had signed a rental agreement with Ottawa, the federal payment for the 1954 taxation year would have been an estimated $120 millions.

For 1955-56, these fields will yield Quebec $93.2 millions, still well short of the amount Ottawa would pay for renting them.

**MAIN REVENUE ITEMS IN QUEBEC BUDGET**

| | 1955-56 | 1954-55 |
|---|---|---|
| | Millions of dollars | |
| Corporation tax (on income) | 50.2 | 50.0 |
| Corporations tax (on capital) | 16.0 | 15.5 |
| Personal income tax | 27.0 | 25.0 |
| Gasoline tax | 59.7 | 58.4 |
| Sales tax | 42.9 | 42.7 |
| Succession duties | 12.0 | 13.0 |
| Tobacco tax | 12.8 | 12.5 |
| Public charities | 9.1 | 9.3 |
| Lands & Forests | 11.1 | 11.6 |
| Mines | 4.6 | 4.4 |
| Hydraulic resources | 3.8 | 3.8 |
| Game | 1.5 | 1.3 |
| Motor vehicle licenses and permits | 26.5 | 24.7 |
| Que. Liquor Commission | 34.5 | 33.6 |
| Federal govt. subsidy | 3.2 | 3.2 |
| All other sources | 17.0 | 18.3 |
| Total revenue | 331.8 | 327.3 |
| Ordinary expenditures | 281.1 | 288.7 |
| Ordinary acct. surplus | 50.7 | 38.6 |
| Capital expenditures | 50.1 | 64.6 |

# TSE Trading Sets New Record

Trading in January on the Toronto Stock Exchange reached a new high at 148,057,000 shares. The same month of 1954 recorded slightly over 61 millions. December, 1954, made 109 millions.

Dollar value of transactions totaled $186,838,498, well over the previous high in December last year of $167,119,710. Average turnover was seven million shares. Individual transactions on the floor averaged about 12,000 as compared with 8,644 average of December.

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# THE MUTUAL LIFE

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HOME OFFICE: WATERLOO, ONTARIO

## 85th ANNUAL STATEMENT

*Year ended December 31, 1954*

| | | |
|---|---|---|
| **INCOME** | | |
| Premiums for ordinary and group life assurances | $36,242,728.23 | |
| Premiums for group accident and sickness benefits | 4,155,949.42 | |
| Consideration for ordinary and group annuities | 4,337,851.47 | |
| Consideration for settlement annuities arising out of assurance policies | 1,513,951.60 | |
| Interest, dividends and rents after deducting $1,075,397.86 allocated for investment expenses | 18,154,057.17 | |
| Net profit on sale of ledger assets after applying $1,529,512.48 to reduce the book value of securities to stabilize future interest yields | 91,693.37 | |
| | | $64,496,231.26 |
| **EXPENDITURES** | | |
| Death and disability claims | $ 9,661,310.55 | |
| Group accident and sickness claims | 3,380,450.67 | |
| Matured endowments and surrender values | 8,183,515.91 | |
| Ordinary, group and settlement annuity payments | 2,140,431.97 | |
| Interest allowed on policy proceeds, dividends and other amounts on deposit and on staff pension and insurance reserves | 2,534,984.33 | |
| General expenses and taxes including commissions and the cost of home office and agency administration, less the amount allocated for investment expenses | 9,019,060.57 | |
| Net amount by which ledger assets were written down | 75,651.80 | |
| | $34,995,405.80 | |
| Increase in actuarial liabilities | 20,089,807.99 | |
| | | $55,085,213.79 |
| **SURPLUS EARNINGS FOR YEAR** | | $ 9,411,017.47 |
| Deduct: | | |
| Dividends paid or allotted to policyholders | $ 6,834,232.94 | |
| Increase in provision for dividends payable in subsequent year | 850,000.00 | |
| Transferred to specific reserve for fluctuation in value of investments | 500,000.00 | |
| | | $ 8,184,232.94 |
| **TRANSFERRED TO UNASSIGNED CONTINGENCY FUND** | | $ 1,226,784.53 |

LOUIS L. LANG
*President*

H. L. GUY, C.B.E., F.S.A.
*General Manager*

**1954 — THE BEST YEAR ON RECORD**

| 1953 | | 1954 |
|---|---|---|
| $ 8,353,000 | Surplus Earnings | $ 9,411,000 |
| 27,219,000 | Payments to Policyholders and Beneficiaries | 31,193,000 |
| 166,033,000 | New Assurances (*All on Canadians*) | 180,862,000 |
| 431,580,000 | Total Assets | 459,547,000 |
| 1,537,358,000 | Assurances In Force | 1,653,704,000 |

*A copy of the complete report of the proceedings of the Company's annual meeting, held at the Home Office on February 3, 1955, will be sent on request.*

ML-2-55

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Present Shareholders may also apply for the same number of additional Shares to which their "Rights" entitle them.

We recommend that where possible shareholders exercise their "Rights" and subscribe for additional Shares to which they are entitled.

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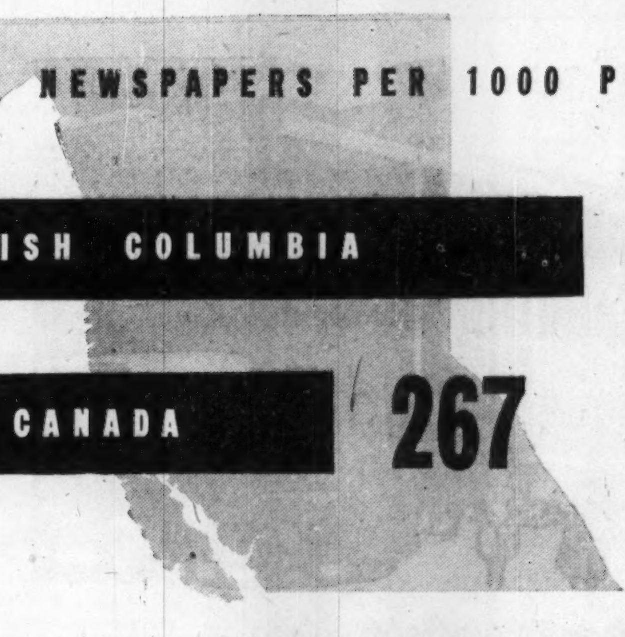

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| | |
|---|---|
| BRITISH COLUMBIA | 374 |
| ALL CANADA | 267 |

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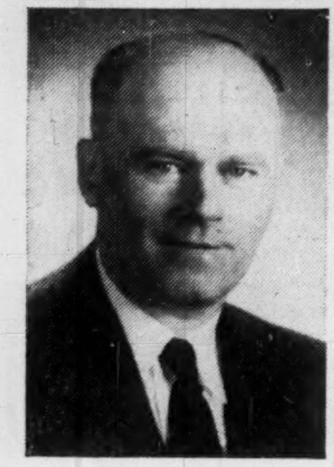
ANNOUNCEMENT



J. F. TAYLOR

Malcolm P. Ferguson, president of Bendix Aviation Corporation, has announced formation of the Aircraft Products Division of the company's wholly owned subsidiary, Bendix-Eclipse of Canada Ltd.

J. F. Taylor, prominent in the Dominion's aircraft development, will be general manager of the new Canadian operation. The activities of the Aircraft Products Division will be under direct supervision of George E. Stoll, vice-president and group executive.

The Aircraft Products Division will undertake production and develop the growing market in Canada for Bendix aviation products which are now being made in the company's numerous divisions in United States. Existing license arrangements for Bendix aviation products with Aviation Electric Limited, Northern Electric Co. Ltd. and others will continue.

Pending the opening of operating facilities, the new division is occupying offices at 2444 Bloor St. W., Toronto.

The production of brakes, carburetors, starter drives and other components will continue to be operated by the Automotive Division of Bendix-Eclipse of Canada Ltd., at Windsor, Ontario, under direction of Richard W. Keeley, president.

Taylor joins Bendix after serving the Canadian aviation company, A. V. Roe Canada Ltd., as supply manager in charge of procurement and the establishment of subcontract facilities for production of the CF-100 airplane and the Orenda engine. He joined the aircraft branch, Department of Munitions and Supply in 1940 and held various senior positions with the Canadian Government until becoming associated with A. V. Roe in 1948. He is a native of Brinston, Ontario.

# Bank Deposits Show Strong Recovery, Uncertainty Cuts Demand For Call Loans

Deposits in Canadian banks showed an unexpectedly healthy upswing in December. After dipping by $170 millions in November as a result of the Savings Bond issue, personal savings rose by $50.6 millions in December to stand at $5,217,717,000 at the end of 1954. This was $120 millions below the all-time high of Oct. 31, 1954.

Demand deposits rose by $285.4 millions during the month to reach nearly $3.6 billions at Dec. 31. This increase, and a rise of $246 millions in cheques and other items in transit, are attributed by bankers to the generally high level of business activity during the Christmas season.

On the returns of Canada's chartered banks to the Finance Minister for December, the item showing the biggest change was deposits by the Federal Government. Cash had been accumulated during the previous months to meet certain bond maturities in December. After these had been met, the Government had $176.5 millions in the banks at Dec. 31, $316.5 millions less than a month earlier.

Provincial Government deposits, on the other hand, rose from $125.1 to $190.1 millions during the month. This was attributed to an increase in the rate of tax receipts and to government financing.

Increase of $53.5 millions in the banks' holdings of short-term Canada bonds reflects the highly liquid cash position the banks have enjoyed recently. To employ their resources, banks have been strengthening their short-term portfolios.

At the same time, there has been a reduction in the banks' investment in long-term Canada securities. These declined by $116.2 millions during December to stand at $2,317.6 millions at the year end. This appeared to be due to anticipation of a rise in interest rates in the U.S. and Canada.

Banks had $211.2 millions outstanding in Canadian call and short loans at the month-end, a decline of $86.3 millions during December. This item, which includes day-to-day loans, consists largely of bank advances to investment dealers. During December, dealers were uncertain about trends in interest rates in the U. S. and consequently in Canada. To protect themselves against inventory losses, the dealers reduced their short-term bond holdings and the day-to-day loans with which they financed the bond holdings.

The accompanying table shows the condition of Canadian chartered banks at Dec. 31, together with changes from one month and two months earlier.

**ASSETS**

**Immediately Available Liquid Assets**
**(In Thousands of Dollars)**

| | Dec. 31 1954 | Nov. 30 1954 | Change | Oct. 31 1954 | Change |
|---|---|---|---|---|---|
| Canadian coin | 19,319 | 18,948 | +371 | 17,946 | +1,373 |
| Gold and coin ab'd | 1,379 | 1,619 | —240 | 1,501 | —122 |
| Bk. of Can. notes and deposits | 791,167 | 790,590 | +577 | 815,461 | —24,294 |
| Foreign currency | 40,920 | 41,325 | —405 | 37,449 | +3,471 |
| Dep. other Bks. in Can. curr. | 3,163 | 3,289 | —126 | 3,658 | —495 |
| Foreign banks | 312,680 | 295,062 | +17,618 | 280,985 | +31,695 |
| Cheques, other items in transit | 803,700 | 557,666 | +246,034 | 616,557 | +187,143 |
| Govt. Can. treasury bills | 359,799 | 360,749 | —950 | 371,484 | —11,685 |
| Government Securities: | | | | | |
| Dom. short term | 635,592 | 582,132 | +53,460 | 693,670 | —58,078 |
| Dom. long term | 2,317,562 | 2,433,805 | —116,243 | 2,293,522 | —19,040 |
| Provincial | 263,508 | 267,679 | —4,171 | 272,478 | —8,970 |
| Municipal secs. | 177,312 | 160,663 | +16,649 | 158,864 | +18,448 |
| Other secs. | 353,332 | 346,780 | +6,552 | 337,157 | +16,175 |
| Secs. other than Canadian | 321,954 | 321,193 | +761 | 310,081 | +11,873 |
| Mortgages | 74,240 | 55,427 | +18,813 | 38,344 | +35,896 |
| Can. call and short loans | 211,191 | 297,470 | —86,279 | 293,283 | —82,092 |
| Call and short loans abroad | 195,688 | 210,357 | —14,669 | 218,958 | —23,270 |
| Provincial loans | 61,252 | 57,200 | +4,052 | 38,657 | +22,595 |
| Municipal loans | 102,600 | 103,362 | —762 | 114,570 | —11,970 |
| Current loans | 3,787,653 | 3,823,701 | —36,048 | 3,738,992 | +48,661 |
| Loans abroad | 292,590 | 286,635 | +5,955 | 281,681 | +10,909 |
| Non-current loans | 1,413 | 1,634 | —221 | 1,583 | —170 |
| Premises | 114,798 | 113,129 | +1,669 | 114,402 | +396 |
| Loans to corporations | 31,093 | 31,033 | +60 | 30,296 | +797 |
| Letters of credit | 155,421 | 161,547 | —6,126 | 155,779 | —358 |
| Other assets | 3,831 | 3,084 | +747 | 2,784 | +1,047 |
| Total assets | 11,433,157 | 11,326,079 | +107,078 | 11,245,342 | +187,815 |

**LIABILITIES**

| | Dec. 31 1954 | Nov. 30 1954 | Change | Oct. 31 1954 | Change |
|---|---|---|---|---|---|
| Dep. of Dom. Govt. in Cdn. curr. | 176,489 | 492,946 | —316,457 | 256,013 | —79,524 |
| Dep. by Prov. Govt. in Cdn. curr. | 190,072 | 125,086 | +64,986 | 171,257 | +18,815 |
| Dep. by other banks in Cdn. curr. | 103,932 | 94,370 | +9,562 | 98,736 | +5,196 |
| Dep. by other banks in foreign curr. | 82,565 | 80,503 | +2,062 | 74,455 | +8,110 |
| Personal savings | 5,217,717 | 5,167,152 | +50,565 | 5,337,214 | —119,497 |
| Notice deposits | 397,353 | 364,838 | +32,515 | 350,061 | +47,292 |
| Demand deposits | 3,597,243 | 3,311,870 | +285,373 | 3,354,045 | +243,198 |
| Other deposits in foreign curr. | 947,760 | 957,928 | —10,168 | 911,364 | +36,396 |
| Advances from Bk. of Canada | ...... | ...... | ...... | ...... | ...... |
| Letters of credit | 155,421 | 161,547 | —6,126 | 155,779 | —358 |
| Other liabilities | 43,139 | 49,358 | —6,219 | 41,807 | +1,332 |
| Capital paid up | 168,218 | 168,023 | +195 | 166,953 | +1,265 |
| Rest account | 344,235 | 343,445 | +790 | 318,306 | +25,929 |
| Undivided profits | 9,013 | 9,013 | ...... | 9,302 | —289 |
| Total liabilities | 11,433,157 | 11,326,079 | +107,078 | 11,245,342 | +187,815 |

## Staff Changes

**Chartered banks announce the following staff changes:**

**Toronto-Dominion:**

R. G. MASTIN, relief staff, head office, Toronto, to be manager, Danforth Ave. & Danforth Rd., Toronto.

H. J. G. GREEN, acting manager, Danforth Ave. & Danforth Rd., Toronto, transferred to head office.

J. F. McFARLANE, accountant, Preston, Ont., transferred to inspection department, head office, Toronto.

R. J. ARMSTRONG, accountant, City Hall, London, Ont., transferred to supervisors' department, head office, Toronto.

H. R. LUDLOW, accountant, Waterloo, Ont., to be accountant, Dundas & Adelaide, London, Ont.

W. C. KEAST, accountant, Dundas & Adelaide, London, to be accountant at City Hall, London.

H. S. BAKER, accountant, St. Clair & Bathurst, Toronto, to be credit officer, Queen & Spadina, Toronto.

L. G. GREER, accountant, Owen Sound, Ont., to be accountant, Preston, Ont.

J. W. MOORE, accountant, Kingston, Ont., transferred to supervisors' department, head office, Toronto.

N. E. F. McCLOCKLIN, accountant, Yonge & Bedford, Toronto, to be assistant accountant, Toronto branch, Toronto.

J. C. ROBINSON, accountant, Shelburne, Ont., to be accountant, Kingston, Ont.

T. D. SHEARER, accountant, Cardston, Alta., transferred to western department, Winnipeg, Man.

M. TURCOT, accountant, Jean Talon, Montreal, to be accountant, Maisonneuve, Montreal.

L. J. BOURNE, discount clerk, Calgary, Alta., to be accountant, Cardston, Alta.

A. DESAUTELS, discount clerk, Maisonneuve, Montreal, to be accountant, St. Hubert & Belanger, Montreal.

E. C. JACOBS, assistant accountant, Yonge & Belsize, Toronto, to be accountant, Victoria Square, Toronto.

J. E. ANDERSON, assistant accountant, Yonge & Bedford, Toronto, to be accountant, that branch.

E. A. DOYON, assistant accountant, Board of Trade, Montreal, to be accountant, Jean Talon, Montreal.

J. P. QUILTY, assistant accountant, St. Clair & Bathurst, Toronto, to be accountant, Avenue Road & Fairlawn, Toronto.

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In this, our 65th year of service to Canadian families, it is pleasant to recall that among our many clients are the third and fourth generations of families who years ago appointed the Montreal Trust Company as executors.

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THE INVESTMENT FUNDS

## Investors Mutual Assets Climb 74.8% in 1954

Last year brought phenomenal growth to Investors Mutual of Canada. At Jan. 8, 1954, value of the portfolio stood at $30,741,477. At Dec. 31 last, total net assets had jumped 74.8% to $53,730,309. Gain in the previous year was 41.4%.

Growth in all four quarters of the calendar year was strong, ranging from 13.5% in the first quarter to 11% in the last. The rise in stock prices in the current bull market plus sale of a record number of its own shares contributed to growth.

In the month to Dec. 31, 1954, net assets of the fund went up by 7.1% from $50,163,899 recorded at Nov. 30.

Considerable attention was paid to bank stocks in the period since the fund was last reported. Six of the holdings in Canadian banks were increased, and rights of the Canadian Bank of Commerce were substituted for those of the Bank of Montreal.

There were a number of increases in common stock holdings, notably in the pulp, paper and lumber field, where seven of nine held were increased. New commons added to the portfolio include Falconbridge Nickel, Loblaw B, Simpsons B and Tamblyn rights.

Preferred stocks lost two; Zellers Ltd. 5% and 6%, and Hydro-Electric Commission of Ontario 2¾% $150,000 bond was sold.

Bank stocks now represent 11.64% of total assets (10.52% at the end of November), common stocks 69.11% (68.16%), preferred 12.07% (13.17%) and bonds 6.99% (7.76%). Cash was down from 0.39% of total assets to 0.19%.

Here are the changes in the portfolio between Nov. 30 and Dec. 31, 1954:

| | Par val. held at Dec. 31 1954 $ | Change since Nov. 30 1954 $ |
|---|---|---|
| **Bonds:** | | |
| Hydro Elec. Power Comm. of Ont. | ...... | 150,000 |
| | **Shares held at Dec. 31 1954** | **Change since Nov. 30 1954** |
| **Preferred:** | | |
| Aluminium Co. 5¼% | 5,860 | +500 |
| Can. Cement $1.30 | 11,583 | —1,825 |
| Zellers Ltd. 5% | .... | —7,225 |
| Do. 6% | .... | —480 |
| Federal Grain $1.40 | 5,250 | +1,250 |
| Gatineau Power 5½% | 895 | +95 |
| Bathurst P. & P.A. | 8,340 | +425 |
| **Common:** | | |
| Bank of Toronto | 7,900 | +600 |
| Banque Canadienne Nat. | 6,730 | +975 |
| Cdn. Bk. of Commerce | 23,820 | +2,675 |
| Dominion Bank | 13,465 | +2,240 |
| Imperial Bank | 15,245 | +2,975 |
| Royal Bank | 24,997 | +5,855 |
| Cdn. Bk. of Comm. (rts.) | 35,145 | +14,000 |
| Bank of Montreal (rts.) | .... | —21,280 |
| Ford Motor A | 5,905 | +535 |
| Hollinger Cons. | 1,500 | —50 |
| Falconbridge Nickel | 3,100 | +3,100 |
| Building Products | 11,195 | +775 |
| Canada Cement | 1,860 | +1,200 |
| Cdn. Breweries | 22,725 | +1,880 |
| John Labatt | 13,640 | +2,000 |
| H. Walker-G. & W. | 13,085 | +1,505 |
| Ind. Accept. | 15,765 | +170 |
| Traders Finance A | 11,074 | +875 |
| Loblaw B | 1,020 | +1,020 |
| Simpsons Ltd. B | 1,000 | +1,000 |
| G. Tamblyn (rts.) | 3,930 | +3,930 |
| B.A. Bank Note | 4,855 | +300 |
| Consumers Glass | 4,529 | +500 |
| Moore Corp. | 16,305 | +3,575 |
| Interprov. P L. | 17,950 | +250 |
| Bell Tel. | 20,845 | +200 |
| B.C. Power | 46,750 | +100 |
| Abitibi P. & P. | 34,330 | +5,500 |
| Bathurst P & P. | 325 | +300 |
| Cons. Paper | 16,275 | +1,850 |
| MacMillan & Bloedel B | 28,215 | +2,025 |
| Powell River | 31,070 | +500 |
| Price Bros. | 17,125 | +1,025 |
| Howard Smith Paper | 36,605 | +1,325 |
| Dom Bridge | 24,850 | +1,700 |
| Dom. Foundries | 36,940 | +2,500 |
| Westeel Products | 11,400 | +500 |

**VICTORIA & GREY TRUST CO.** net profit for 1954 was $257,734, 8% higher than net of $238,694 in 1953.

Assets under administration increased by $7,353,396, guaranteed investment certificates and deposits by 4,850,000 and estates under administration by $2,384,000.

In December, company opened an office in Kingston, making a total of six in Ontario.

| | 1954 | 1953 |
|---|---|---|
| Liabs. to pub., etc.* | $38,082,510 | $33,210,163 |
| Sh'holders' equity | 3,574,570 | 3,478,035 |
| *Secured by: | | |
| Mtges. and sls. agree. | 22,905,861 | 17,746,067 |
| Off. premises | 314,638 | 203,709 |
| Liquid assets† | 18,436,581 | 18,738,422 |
| **Total assets** | 41,657,080 | 36,688,198 |
| †Includes bonds and stocks. | | |
| Estates account | 10,523,840 | 8,139,326 |
| **Net profit** | 257,734 | 238,694 |
| **Earned per share** | $1.28 | $1.18 |

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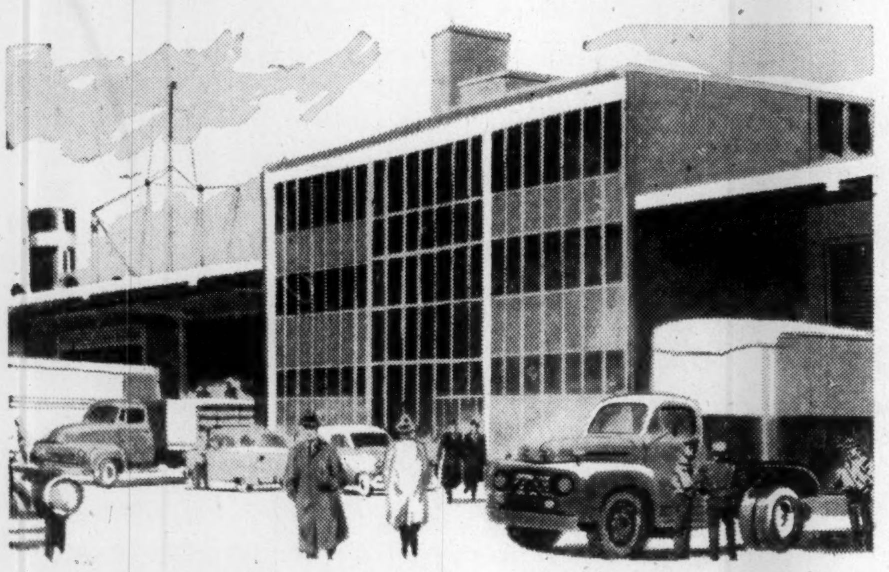

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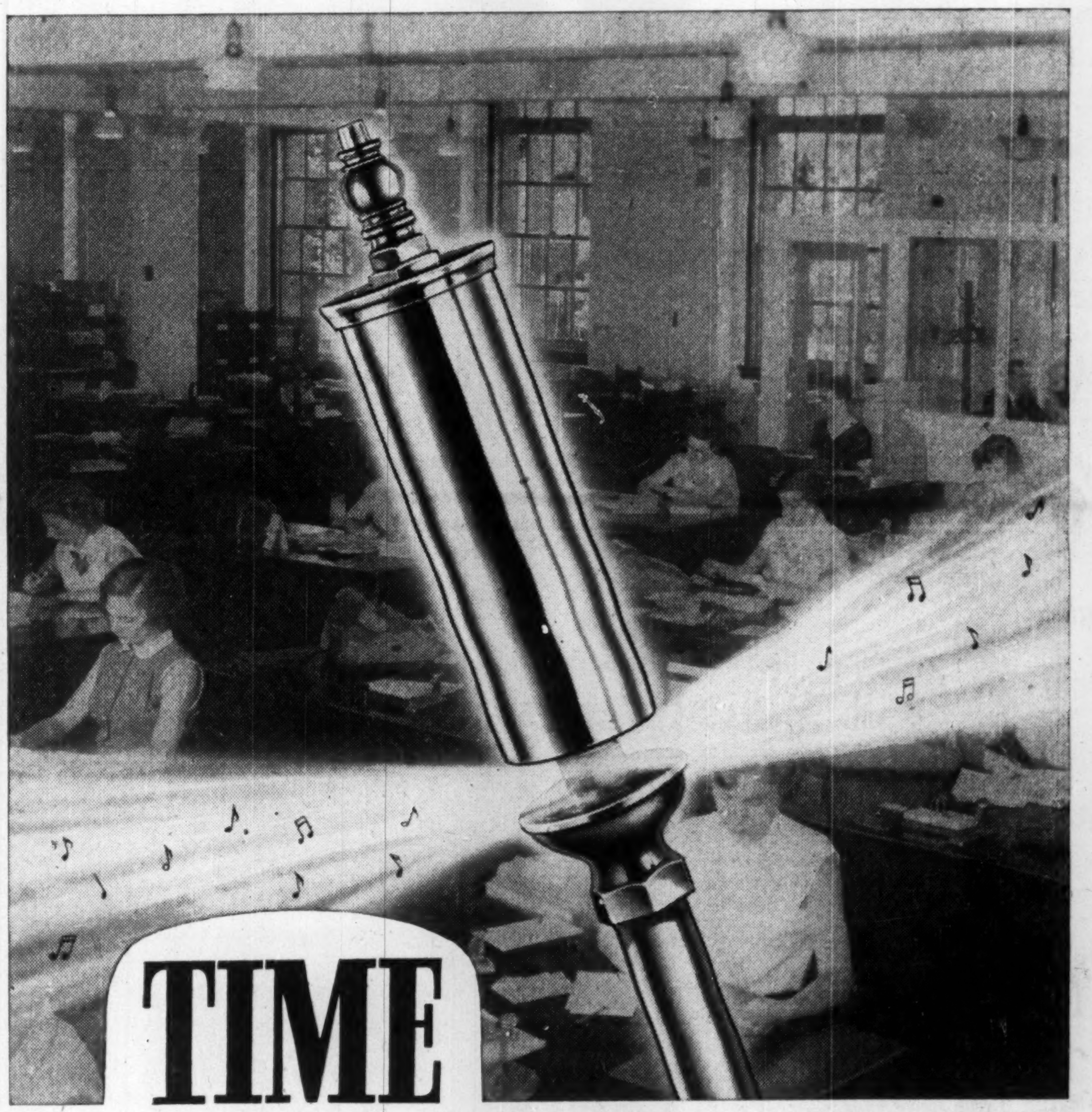

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# Why We Need Flexible Economic Plan

## *Uncertainty of World Events Hangs Over Canada's Boom*

***World forces and events are shaping Canada's future. Morgan Reid, assistant vice-president, retail, of Simpsons-Sears Ltd., in an address recently took a look at some of these forces, possible results. Here is a digest of his speech:***

**By MORGAN REID**

For 1955, we can expect some improvement in exports, with little change in the volume of imports—partially reflecting lower expenditures in Canada for capital equipment.

This implies a better balance of payments position. Consequently, if the capital inflow from the United States and Europe continues at the current rate, there may be a renewed upward pressure on the Canadian dollar. Our capital investment program in dollars may be slightly higher in 1955 than it was last year, with most of the increase arising from an expansion in construction.

Total government expenditure will at least equal 1954 levels or, more probably, will be slightly greater. Consumer spending should be up moderately, with the increase more noticeable in the latter half of the year.

This all adds up to a year which should be moderately better than 1954 and also 1953, in aggregate terms.

At the same time, we may experience more unemployment because the rate of economic expansion will not be sufficient to absorb completely the net addition to the labor force. Also, some industries will not fare as well as others and this is particularly true of heavy equipment, gold mining and textiles.

In 1955, external events will once more strongly influence the Canadian economy. Rising tension in the Western Pacific; the decisions on trade at Geneva; the degree of business recovery in the United States; and the volume of foreign capital moving into Canada, will have a powerful impact on the shape and size of our prosperity.

It re-emphasizes the need for flexibility in our economic policy, as well as a strong Canadian voice in those world councils where collective decisions are made that affect not only the well-being of Canadian citizens, but even their lives!

### High Fixed Taxes

Some of the foreign admirers of our fiscal system little realize the very great rigidity which has been built into our taxation structure by statutory commitments of various kinds.

Irrespective of the social desirability of the many measures which redistribute Canadian income — unemployment insurance, family allowances, old age pensions, etc. — they represent a fixed requirement for tax revenues that will continue to grow with the population increase. (Social welfare payments by the Federal Government will be up $36.7 millions in the next fiscal year.) Actually, in Canada, our social welfare payments are relatively almost double what they are in the United States.

Together with the more than 40% of the budget that is now directed to defense, there is little leeway for tax reduction, except through increases in the productivity of the economy.

Therefore, I think this should make us consider carefully those tinsel-wrapped spending proposals which would build additional rigidity into our Federal budget. That is the economist's way of saying Mr. Harris will take away the alternative uses you may have for a dollar of income, in order to give you some of it back in a form the Government says you should have!

### Export Trade

Perhaps the strongest factor in the outlook for 1955 is to be found in our export structure, where dollar shipments were down some 7% in 1954. There has been an expansion in shipments of wheat to our overseas customers in recent months. It is indeed possible that we have already experienced almost the full impact of the short wheat crop last year. Our carry-over at the beginning of the new crop year was some 587 million bushels. If foreign demand for wheat continues strong, this large carry-over will help to sustain farm cash income.

Just as important to our exporters is the general prosperity of the European countries. Industrial production in nearly every one of the Western European countries continued to rise during 1954. The over-all increase was about 9%. For example, the industrial production index in West Germany (1948=100) averaged 251 in 1953. In September, 1954, it stood at 292. In Austria, on the same basis, the index was 184, as compared with 213 in August, 1954. In the United Kingdom, the index of industrial production rose some 6% in 1954.

At the same time, there was a healthy improvement in the balance of payments position of most of these countries. As a result, there has been a welcome tendency toward the removal of import restrictions. To a degree, this economic improvement can be attributed to the financial assistance provided by Canada and the United States since the end of the war and also to the more liberal trade policies pursued since 1945.

Our European customers are now in a better position to purchase Canadian export surpluses — wheat, lumber, base metals, etc. As this improvement continues, there should be also further relaxations in remaining import controls against Canadian manufactured products.

Now this picture is, of course, not all good, since particular segments of Canadian industry — manufacturers of heavy electrical equipment, in particular — have faced very serious competition from abroad. Yet, on balance, I would think that we have benefited from an expansionary rather than a restrictive attitude toward world trade.

### Geneva Trade Talks

The present discussions taking place in Geneva by the nations accepting the Agreement on Tariffs and Trade are of very considerable importance to Canada. Unfortunately, several countries have adopted a narrow view by which they wish to retain certain escape clauses in the Agreement that would in effect permit them to circumvent the general rules of conduct contained in GATT.

The United Kingdom and more particularly the United States have requested reservations which can be of serious consequence to Canada.

If common sense prevails and a more liberal approach to world trade is adopted at Geneva, and further moves are made toward convertibility, the possibilities of a substantial expansion in world trade, over the next ten years, are good. Since nearly one fourth of our national income is still derived from this source, the effect can only be beneficial to Canada.

Even if the negotiations at Geneva are inconclusive, there is a good prospect at least in 1955 for a moderate expansion in Canadian exports. This could be the principal dynamic factor underlying renewed expansion in the Canadian economy.

The outlook for consumer demand in 1955 is good. Personal disposable income, i.e., income after direct taxes, should be up some $300-$500 millions — provided were are fortunate enough to harvest average crops. If consumers continue to save at about the current rate (7%-8%) retail sales may expand some $175-$300 millions. The increase could be even greater if Finance Minister Harris translates his initial statement of good intentions into a reduction in the personal income tax.

I would also expect some of the indigestion experienced in the consumption of durable goods in 1954 to be succeeded by a renewed appetite for automobiles, television sets, electrical appliances, etc. More sales of consumer durables, however, do not imply a return to the rapid expansion which got under way in the middle of 1952—associated with a large backlog of demand, a relatively low level of consumer indebtedness, and buoyant incomes. In 1955, the sales structure should improve very gradually—with marketing success depending more than at any time since the war on a combination of price and technological advances.

With the continued addition of 400,000-450,000 consumers to the population in 1955, the market for food, clothing and footwear should expand more than that for durables. A continued rise in per capita expenditures on clothing, barely noticeable in 1954, should be more pronounced this year — but it may be more than 12 months before we get back to the clothing per capita consumption of 1948.

It is also characteristic of our high standard of living that a growing percentage of family income is devoted to the payment for services. Any potential rise in retail sales of commodities will be tempered by the degree to which increased or existing incomes are diverted to spending on services.

## COMPANY REPORTS

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

### Mining

**BASE METALS MINING CORP.** in its report for the 18 months ended Nov. 30, 1954, states that drilling of the first well for oil on the island of Jamaica is expected to get under way by the end of March.

Drilling equipment is being acquired for transshipment to Jamaica. Technical staff for the project is stated to be John O. Maberry, general manager, and Robert A. Armstrong, petroleum engineer.

It is proposed to increase the authorized capital of the company from five to seven million shares "to provide means for future financing."

Preparations were made to reopen the Cork Province mine but this project had to be postponed when a satisfactory contract for marketing of concentrates could not be arranged in British Columbia.

INCOME ACCOUNT

| Years Ended May 31: | 1954 | 1953 |
|---|---|---|
| Production | $236,731 | $654,523 |
| Less: Oper. exp. | 247,168 | 619,411 |
| **Oper. profit** | ↓10,437 | 35,112 |
| Add: Misc. rev. | 11,820 | 5,781 |
| Less: Admin. exp. | 16,209 | 41,167 |
| Depr. | 36,624 | 93,251 |
| Preprod. exp. w/o | 7,140 | 14,281 |
| Inventory w/o | 18,375 | ...... |
| Outside expl., devel. | ...... | 26,596 |
| **Net loss & deficit** | 76,965 | 139,402 |

↓Loss or deficit.

**Earnings per Share and Dividend Record:**

| | | |
|---|---|---|
| Common | d$0.016 | d$0.034 |

None paid.

**Note**—In the 6 months from June 1 to Nov. 30, 1954, revenue amounted to $5,584. After deducting $29,806 operating and administrative expenses, a net loss of $24,222 was sustained.

CONDENSED BALANCE SHEET

| As at: | Nov. 30 1954 | May 31 1953 |
|---|---|---|
| Cash & Dom. bds. | $47,211 | $16,099 |
| Accts., etc., rec. | 5,493 | 8,447 |
| Concentrates | ...... | 47,013 |
| Inventories | 9,876 | 57,973 |
| **Total curr. assets** | 62,580 | 129,537 |
| Mkt. sec.▲ | 25,892 | 45,385 |
| Investments | 126,250 | 126,250 |
| Prepaid exp. & def. chg. | 6,423 | 13,578 |
| Int. in oil & gas expl. license | 146,682 | ...... |
| Adv. to other cos. | 232,471 | 190,447 |
| Preprod. dev. exp. | 222,192 | 204,098 |
| Mining props.§ | 1,882,124 | 1,886,000 |
| Fixed assets‡ | 187,411 | 226,653 |
| **Total assets** | 2,892,050 | 2,821,948 |
| Accts. pay | 7,287 | 48,230 |
| Taxes pay | 17 | ...... |
| Other curr. liab. | 2,780 | 13,426 |
| **Total curr. liabs.** | 10,084 | 61,656 |
| Capital stock | 2,519,213 | 2,339,212 |
| Surplus | 362,733 | 421,080 |
| ‡After depr. of | 717,483 | 692,195 |
| ▲Mkt value | 21,050 | 34,375 |
| §At cost | | |

**Note**—Balance sheet at May 31, 1954, not available.

| | | |
|---|---|---|
| **Working capital** | 52,496 | 67,881 |

**MEASUREMENT ENGINEERING, LTD.**, has been appointed Canadian sales representative by Naresco Equipment Corp., equipment sales subsidiary of National Research Corp. With headquarters in Arnprior, and a branch at 226 Donlea Drive, Toronto 17, Measurement Engineering will sell the entire line of high vacuum equipment manufactured by the Equipment Division of National Research Corp., Newton Highlands 61, Mass.

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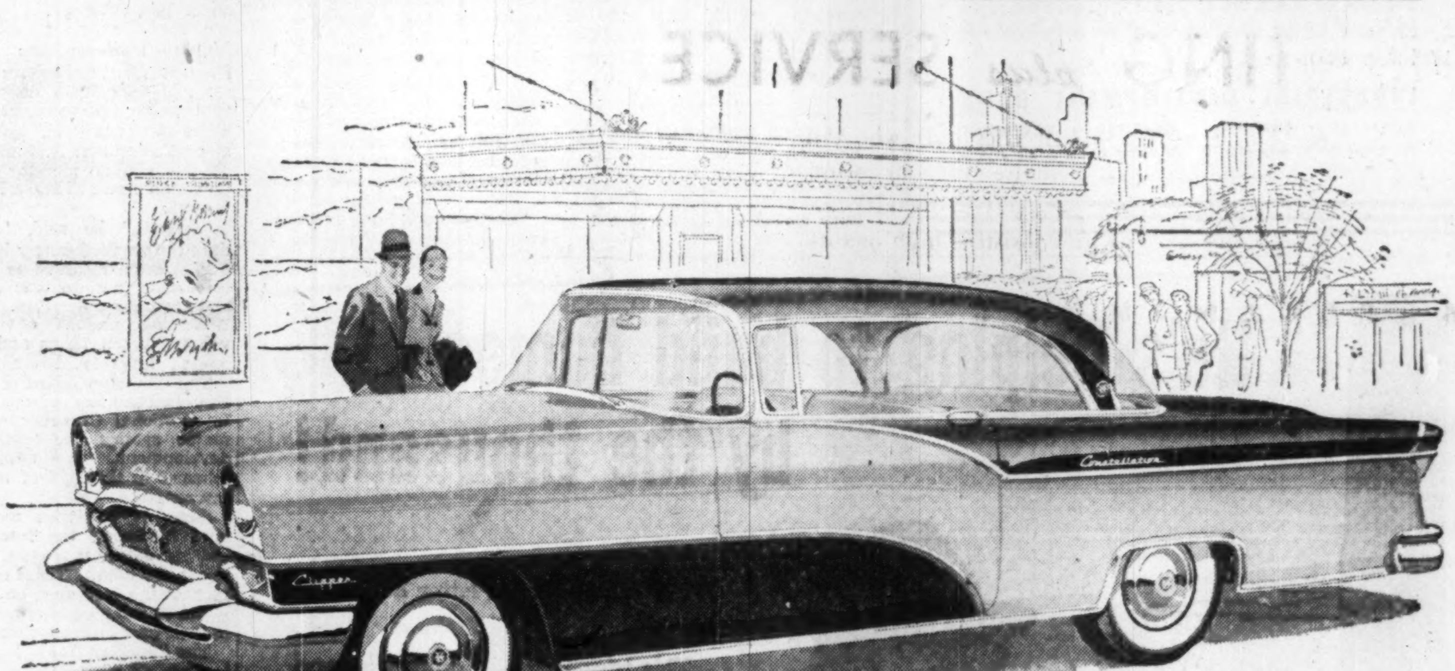

CLIPPER CONSTELLATION—245 HORSEPOWER

The 1955 Clipper

Built by Packard Craftsmen

**CLIPPER IS THE CAR THAT MAKES IT SMART TO BE DIFFERENT.** Here's the car expressly designed to be distinctive in appearance as well as in performance . . . the 1955 Clipper . . . every inch a thoroughbred . . . precision-built by Packard Craftsmen to traditional Packard Standards of quality and good taste.

If you hesitate to buy a medium-priced car because six months hence it will be "everybody's car" – the 1955 Clipper is for you! For in the Clipper you will find the individuality you seek . . . and to which you are entitled.

**225 AND 245 HORSEPOWER V-8 ENGINES**

With the most powerful engines in its field, you will command more responsive power than is available in any other car in the medium-price range. Precision engineering made famous by Packard makes the new Clipper engines compact, quiet models of smooth efficiency.

**TWO TRANSMISSIONS IN ONE**

Clipper's new Twin Ultramatic Transmission is actually two transmissions in one . . . puts a choice of starts at your fingertips . . . lightning getaway . . . cruising glide. Teamed with the new Clipper V-8 engines, it provides outstanding gasoline economy.

**NEW GRACEFUL STYLING**

1955 Clipper styling features distinctive sweeping lines. The luxurious interiors of the Custom, Super and DeLuxe models offer an unlimited choice of harmonious colour combinations. The 1955 Clipper is distinguished in its timeless good taste . . . it reflects the inimitable Packard touch!

We invite you to come in and drive the 1955 Clipper today. Compare it with any car . . . for appearance, for performance, for outstanding value. You'll agree that the 1955 Clipper gives you distinctive individuality in the medium-price field!

*We invite you to see, and drive the 1955 Clipper today*

ANNOUNCEMENT

FORM NEW INSURANCE FIRM

A. W. GRANT D. W. PATERSON

Osborn and Lange-Grant, Ltd., general insurance brokers, announce the opening of offices at 759 Victoria Square, Montreal. Officers of the new company are, president, Andrew G. Lange; Managing director, A. W. Grant, and secretary, Donald W. Paterson.

The company will conduct a general insurance brokerage business handling all classes of insurance. Mr. Grant, the Managing-Director, has had many years' experience in the insurance brokerage field and was formerly Assistant General Manager of Commercial Insurance Agency Ltd.

The new firm's London correspondents will be Leslie & Godwin, Ltd. Insurance Brokers at Lloyds, and in association with the firm's affiliated companies, Osborn & Lange Ltd., Montreal, and Osborn & Lange Inc., Chicago, the company will also have correspondents in New York, Chicago and Winnipeg.

CAN THE INDUSTRIAL DEVELOPMENT BANK HELP YOU?

Canadian businessmen who wish to start or to expand an industrial enterprise are sometimes not able to arrange for suitable financing because of special circumstances. For instance, an industrial project with good prospects for success may require a loan of longer term than a chartered bank may consider appropriate and the amount required may not be large enough to justify a public issue of securities.

Businessmen in the industrial field who face problems in financing the cost of plant, machinery and equipment which cannot be met through commercial financing institutions might find it useful to learn what the Industrial Development Bank can do. If you are one of them we suggest that you enquire of your bank or your auditor or write for information to:

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## Union Acceptance Split Approved By Shareholders

Shareholders of Union Acceptance Corp. this week approved subdivision of the common shares into new common and participating nonvoting second preference shares.

The company has also called for redemption its 60c cumulative redeemable sinking fund preference shares, $9 par, and its outstanding 5½% convertible sinking fund debentures due 1970.

At last report, there were 53,800 60c preferred shares outstanding. They are being redeemed at $11 a share April 1, 1955. A large part of the convertible debenture issue has been retired already through conversion into common stock (basis is 11 common shares for each $100 principal amount of debenture held). Since common shares have been trading recently around $18 a share, it's expected that all debentures will be converted into common before they have to be turned in for redemption March 1.

President Frank E. Burroughes told shareholders that the split of the common is being undertaken to create additional nonvoting shares as a medium for raising future capital. Proposed capitalization will include 500,000 of the new second preference shares, of which approximately 299,000 will be still unissued even if all outstanding common covered by conversion rights, warrants and options are issued.

The second preference shares will carry noncumulative dividends of 60c a share per annum. After this, 60c may be paid on the new common and then both classes share equally, share for share, in any additional dividends in any fiscal year.

"Your directors are satisfied the company will be able to pay regular quarterly dividends of 15c per share on the new second preference shares," the president said.

Directors intend to declare the first such quarterly dividend payable April 1.

Each present common share will be exchanged for one new second preference share and one new common share. Authorized common would total 250,000 shares, of which 201,107 would be outstanding if rights, warrants and options are exercised.

**BRITISH AMERICAN OIL CO.** added an additional 42,624 common shares to the list of the Montreal Stock Exchange pursuant to the conversion of 3½% convertible debentures during the period Oct. 1 to Dec. 31, 1954.

## YOUR INSURANCE PROTECTION

FIRE
AUTO
CASUALTY

**By VINCENT EGAN**

Purpose of the Federal Government's proposed study of health insurance was questioned this week by one of Canada's leading students of social security programs.

President William M. Anderson at the annual meeting of North American Life Assurance Co. referred to provision in governmental estimates for the purpose of studying health insurance.

"At this time I am not aware of the exact studies which are proposed," said Mr. Anderson.

"If they lie in the direction of determining the best complementary roles of private and public action in this highly complex field, I am sure that the life insurance companies will welcome the studies and be pleased to be privileged to contribute to them.

"On the other hand, if the purpose of the studies is to evolve a plan which will have the effect of a wholesale movement of either the provision of financing of health services from the area of private and voluntary action to that of public activity and control, it may be expected that not only the life insurance companies but also many other groups and persons in the community will be unsympathetic and opposed."

Mr. Anderson, chairman of the Canadian Welfare Council's executive committee, told the North American annual meeting that insurance companies welcome the extensive review of the Unemployment Insurance Act scheduled for the current session of Parliament.

"Quite obviously some of the features of the present Act are incompatible with a national policy of maintenance of full employment," he said.

"Under such a policy one might expect that employee and employer contributions would be merit-rated and, on the average, would be just sufficient to provide benefits for the low level of unemployment which even a full employment policy must envisage.

"One might also expect that the expansion in benefit payments consequent upon failure to maintain full employment should be regarded as a community responsibility rather than one confined to the covered groups of people.

"Furthermore, an unemployment insurance scheme in the context of a full employment policy should be designed to provide coverage on a true insurance basis. This means that a covered individual should be eligible for benefit for as long as he is ready, willing and able to work and unable to obtain suitable employment, rather than for a period governed by his prior contribution record."

**FRED A. H. GALLOP**

**has been made a vice-president, Canadian Johns-Manville Co., and appointed merchandise manager for building materials of its Canadian Products Division.**

* * *

### *Saskatchewan Cuts Rates For Package Policies*

Reduction in auto "package policies" were announced by the Saskatchewan Government Insurance Office this week. The package provides a higher level of liability and collision insurance than is contained in the province's compulsory minimum.

Beginning March 1, Saskatchewan motorists will have a choice of a $50 or $25 deductible package policy. For the $50 deductible package, basic charge will be reduced by $3 to $22; for $25 deductible, basic premium will be $38.

These rates apply to private cars. For farm trucks, basic premium will be $15 for $50 deductible, and $21 for $25 deductible. A 20% discount will be granted to package policy buyers who have held similar coverage for the past three years and have not made a claim under that coverage.

* * *

### *Marine Underwriters Protest Discrimination*

"It is difficult to discern any appreciable improvement in the ocean cargo portfolio," said newly elected President A. Sunter, Jr., at the annual meeting of the Canadian Board of Marine Underwriters.

"Exports," he said, "are reduced to an exceedingly low level due in some measure to production costs, nationalistic schemes and currency difficulties.

"During periods of reduced volume, broad terms and inadequate rates go hand-in-hand."

The Canadian Board of Marine Underwriters has protested to the International Chamber of Commerce against the "progressive development of nationalistic schemes in the field of transport insurance."

Some 17 countries now have laws hindering the freedom of writing marine insurance, according to the board. These countries restrict the insurance on imports—and in some cases on exports—to their own insurance companies.

The Canadian Board hopes that in time all international treaties of friendship, commerce and navigation will contain a clause renouncing discriminatory measures "preventing or hindering the importer or exporter of products of either party from obtaining marine insurance on such products in companies of either party."

## Study Pipeline To Carry Gas To Victoria, B.C.

**From Our Own Correspondent**

VANCOUVER—An island-hopping natural gas pipeline costing nearly $600,000 is under consideration to take Peace River gas to Victoria and the lower half of Vancouver Island.

Westcoast Transmission, who last week announced details of its planned pipeline to U.S., has already undertaken surveys. It is expected B. C. Electric will make an announcement within a week.

B. C. Electric will supply Greater Vancouver and the Lower Mainland and Fraser Valley with Peace River gas when it arrives.

Most logical route of a pipeline would be from Bellingham, U. S., through the San Juan Islands to Victoria. The distance covered would be about 50 miles and the gas would be under bond while passing through the U. S.

## NOTICE

Notice is hereby given that the Indemnity Insurance Company of North America has received from the Department of Insurance, Ottawa, Certificate of Registry No. C 1559, authorizing it to transact in Canada the business of Accident Insurance, Aircraft Insurance, Automobile Insurance, Forgery Insurance, Guarantee Insurance, Plate Glass Insurance, Sickness Insurance and Theft Insurance.

H. C. MILLS,
Chief Agent in Canada.

## NOTICE

Notice is hereby given that Certificate of Registry No. C1561 has been granted by the Dominion Insurance Department, Ottawa, to The Dominion Insurance Corporation, Toronto, authorizing it to transact in Canada the business of Inland Transportation Insurance and Personal Property Insurance in addition to the classes for which it is already registered.

R. H. L. MASSIE,
President.

## *For Non-Skaters: New Hockey Puck On Ball Bearings*

A Scottish-born inventor has added a new twist to a Canadian sport, and launched a new business venture in the bargain.

Andrew Watson, who left his native Glasgow for Canada in 1923, has patented a ball-bearing puck for floor hockey. His regulation-weight rubber puck slides on the bearings which are countersunk into both sides, three on each side.

Floor hockey is an iceless, skateless version of Canada's national sport, popular among large groups of men. The game caught on in military camps, schools and colleges where anyone can play in running shoes on any gym or drill hall floor. In the past, pucks have varied from rolls of tape to felt pads.

Watson figures that a rising interest in roller skating may give the floor hockey field a boost. He says there are nine million roller skaters in the U. S. today, maybe 100,000 in Canada. He has patented his puck in both countries.

Watson, who operates Watson Sheet Metal Works, Toronto, has gone into pilot production in his own plant.

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Miss Letitia left a trust fund for her CAT!

A columnist wrote a human interest story about it. Some people sniffed, some were amused, some sympathetic.

*But probably few men stopped to realize that they had made less guarded provision for their own loved ones than this lady had made for her cat!*

So many people neglect making a Will. Others write "home-made" Wills open to various misinterpretations. And some let their Wills become hopelessly outdated.

If your own Will needs attention, right now is a good time to see your lawyer about it.

National Trust, named as your Executor, can also be of help to you and your lawyer in planning the future administration of your estate. We invite you to write for free copy of our new booklet: "Security for Your Family".

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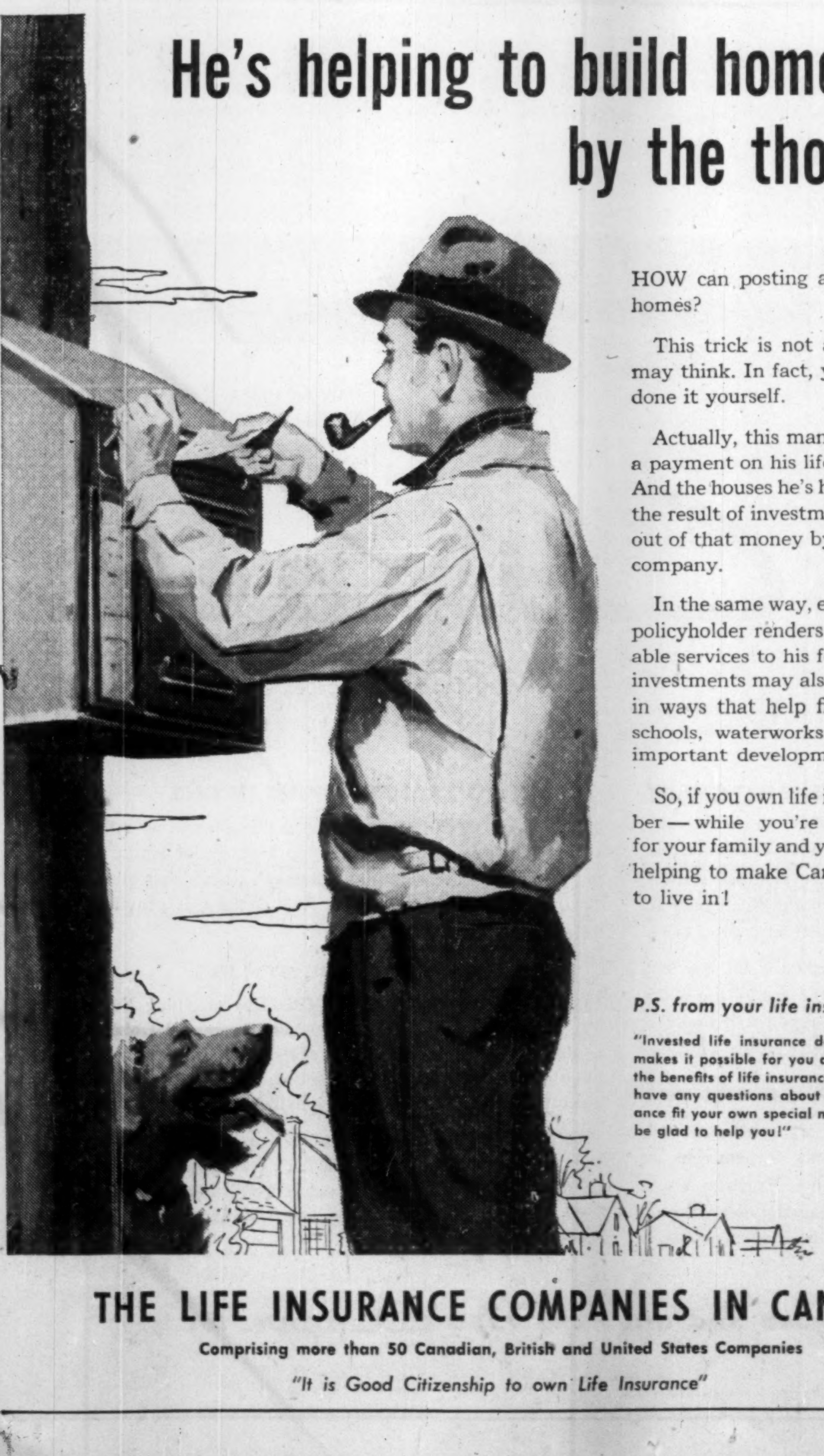

He's helping to build homes by the thousand!

HOW can posting a letter help build homes?

This trick is not as difficult as you may think. In fact, you have probably done it yourself.

Actually, this man is simply mailing a payment on his life insurance policy. And the houses he's helping to build are the result of investments made for him out of that money by his life insurance company.

In the same way, every life insurance policyholder renders many *other* valuable services to his fellow-citizens. For investments may also be made for him in ways that help finance new roads, schools, waterworks and many other important developments.

So, if you own life insurance, remember — while you're building security for your family and yourself, you're also helping to make Canada a better land to live in!

*P.S. from your life insurance man*

"Invested life insurance dollars earn interest that makes it possible for you and your family to enjoy the benefits of life insurance at such *low cost*. If you have any questions about how to make life insurance fit your own special needs, give me a call. I'll be glad to help you!"

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**Should We Kick Hal Banks Out of Canada?**

Hal Banks is Canada's most controversial union leader. His right to be in Canada has been questioned nine times in the House of Commons. His rivals call him a dictator, some politicians say he's an alien racketeer but he claims he's just a tough trouble shooter who drove the Communists off Canadian ships and got his seamen a better deal. In the February 15 Maclean's, Sidney Katz tells the full story.

**They're Fighting to Save What's Left of Sunday**

OPEN
Sunday
10 A.M.

Is Sunday becoming obsolete? In the February 15 Maclean's, John Gray's behind-the-scenes report tells how the Lord's Day Alliance battles Sunday hockey, baseball fans and resort crowds in order to stop Sunday from becoming just another Saturday.

**The Remarkable Rise of Smiling Cece Bennett**

This B. C. hardware merchant always wanted to lead a political party. He didn't have much success as a Conservative. In the February 15 Maclean's Robert Collins tells how Cece Bennett changed into a Social Crediter and one year later became B. C. Premier, and the undisputed ringmaster of the province's political circus.

**Plus these features**

- Sam Langford—The Greatest Fighter That Ever Lived—by Trent Frayne.
- Women Just Have No Imagination — by Robert Thomas Allen.
- Saskatoon's Love Affair With a Hotel Called the Bessborough—by Leslie F. Hannon.

**FEBRUARY 15 ISSUE**
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**MACLEAN'S**
CANADA'S NATIONAL MAGAZINE
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# Time To Revise The Sales Tax Laws?

## Tax Foundation Points to Basic Weaknesses in Statute

***The federal sales tax legislation needs a thorough review and some major weaknesses removed, the Canadian Tax Foundation states in a "Tax Memo" just issued. The sales tax has been in operation substantially in its present form for 30 years, without an overhauling of the legislation under which it is imposed, the Foundation points out.***

***Here is a digest of the "Memo" and its suggestions for improvement:***

For four years, The Canadian Tax Foundation has been making an intensive study of the Excise Tax Act, with particular emphasis on the sales tax. This report presents the conclusions of our investigation.

The important findings of the study are that there are two basic weaknesses in the taxing statute and that statutory amendment offers hope of substantial improvement in terms of certainty, simplicity, equity and cost of compliance and collection.

One of these weaknesses has to do with the determination of the tax base — the taxable "sale price" — and the other with the exemption of certain building materials and of equipment and apparatus used directly in the process of manufacture or production.

That these two general and basic weaknesses exist is accepted on all sides.

### *The Tax Base*

If on no other grounds than those of principle, serious exception must be taken to the present statute in respect of its most important general provision — the establishment of the base to which the rate is applied to ascertain the tax.

On the product of several industries, taxes running to hundreds of millions a year are being collected under arrangements which have little or no relation to the provisions of the statute.

That this has been allowed to persist over a quarter of a century can only be attributed to the fact that departures from the statute have alleviated what otherwise would be harsh treatment in many instances. Its sufferance must also be taken as a tribute to the integrity of the officials who have administered a law which by its basic defect forced them to assume the widest discretionary powers.

### How The Law Works

To explain briefly: Section 30 of the Excise Tax Act imposes tax on the "sale price" of all goods produced or manufactured in Canada and sale price is defined as the amount charged as price. [Sec. 29 (1) (f)].

In law, therefore, tax is payable at 10% of the price charged by the manufacturer. The law makes no distinction between the class of customer to whom the sale is made, whether it be another manufacturer, a wholesaler, a retailer, or a consumer, to each of whom the price charged by the manufacturer would be different.

Obviously, it would be inequitable and uneconomic to apply the letter of the law; inequitable because the amount of tax paid on any given article would vary with the purchaser; uneconomic because it would cause many manufacturers to discontinue, simply to save taxes, the methods of distribution which they have found to be the most efficient.

To overcome these objections, the administration attempted to achieve a rough sort of uniformity by selecting one of the various transactions under which goods might be sold and applying the tax to an approximation of the price that would prevail in such a transaction, no matter by what transaction the goods were sold in fact. The transaction selected, which might be called the prototype transaction, was a sale from a manufacturer to a wholesaler. The general authority governing this is Regulation 6 of Circular 1-C.

### Ottawa's Authority

Apart from the unanswerable objection that such action outside the statute is wrong in principle, there are two further grounds for dissatisfaction:

(1) There is grave doubt as to the authority of the administration to issue regulations such as Regulation 6.

(2) The absence of a statutory declaration which conforms with the way in which the tax is actually applied leaves many taxpayers without any indication of how it is intended to apply. Worse, it leaves them entirely in the hands of the administration as to how it is applied. The taxpayer must accept the decision of the officials without right of appeal. In the nature of the case, honest differences of opinion between taxpayer and revenue officer will be resolved against the taxpayer.

**Possible remedies:** (1) Existing regulations and practices might be validated by statute giving the Minister of National Revenue authority to make regulations governing the calculation of the taxable sale price. This would be the route of unfettered ministerial discretion. It is the least acceptable.

(2) The statute might be amended to name the prototype transaction that would establish the sale price (e.g. a sale by a manufacturer to a wholesaler) and the Minister be given authority to establish by regulation the application of that concept in individual industries. A taxpayer could appeal to the courts against the application of the regulations to the circumstances of his case.

(3) The statute might be amended to define "taxable sale price" in comprehensive terms. Each taxpayer would then be free to appeal the application of this explicit statutory rule to his own circumstances. Several possible forms of appeal procedure might be appropriate here.

### *Exemptions*

Detailed comment on exemptions is limited to two aspects which appear to be the source of most dissatisfaction. These are the exemption of machinery and apparatus and of building materials.

Machinery and apparatus are exempt only if "in the opinion of the Minister" they are to be used directly in the process of manufacture or production of goods." In interpreting the words "directly in the process," the Department has been forced to make hairline distinctions. Some parts of an installation of equipment may be ruled to be used directly in the process of production and other parts of the same installation are ruled to be plant overhead.

Most general complaint of manufacturers is against the constant surveillance required to avoid overpayment of tax on purchases and undercollection of tax on sales. A lesser complaint is against the cost of maintaining the records necessary for complying with the finely drawn distinctions where the amount of tax involved is often negligible.

Building Materials exemptions are a mixture of conditional and unconditional exemptions. It is not an exemption of all materials and component parts used in buildings. Those materials exempt without regard to use are such common building substances as bricks, plaster, paint and prepared roofing.

Glass "for buildings" and "structural steel to be used exclusively for the framework and support of buildings". are also exempt. But a building is defined by the Department as a shell only; self-supporting structures—canopies, elevators, fire escapes, etc. — are not considered as part of the building.

Building materials exemptions, to the builder, are difficult to understand and apply. Substitute products fall on different sides of the line dividing taxable from exempt materials. Frequently component parts installed in buildings are taxable although most of the materials used to make them are exempt when purchased individually.

### Proposed Remedies

We outline three general approaches for consideration:

(1) The remedy involving least change would be to broaden the machinery and apparatus exemptions beyond the limitation to direct use in the process. A moderate broadening of the building materials exemptions, by adding to the schedule of unconditionally exempt materials, would reduce current confusion.

(2) Purchases of equipment by all business (not just manufacturers) would be exempt from tax. To offset the substantial revenue loss involved in such a change, tax would have to be retained on a wide range of products purchased both by business and the general public. The latter could be exempt if they fell within the scope of the conditional exemptions now granted for materials, consumables, coverings, machinery and apparatus and building materials. The exemption for building materials could also be broadened as under the first scheme.

(3) Go directly to the objective which an exemption system achieves indirectly. Tax sales to consumers by the direct method of denoting the classes of article that are subject to tax rather than by the present approach of imposing a general tax and then denoting the classes of article that are exempt. The taxable list would exclude classes of consumer goods now exempt, such as food and fuel. Many problems relating to building materials, for example, could be avoided, since the great bulk of such materials could be made to fall outside the taxable classes of goods.

Regardless of the over-all character of the scheme of exemptions, wherever possible individual classes of article should be granted outright exemption rather than exemption conditional on use. Whenever it has become apparent that a substantial part of the sales of a class of article are conditionally exempt, they should be given outright exemption.

Among the other aspects of the Act needing revision:

—The Minister's powers to decide who is a manufacturer are ill-defined.

—Sections 29 (d), 31, 37 and 55 (8) confer discretionary power on the Minister which is beyond judicial scrutiny.

—The rules governing exclusion of freight charges from the tax base impose some hardship.

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ANNOUNCEMENT

WILLIAM E. AUSTIN

W. A. Wecker, President of General Motors of Canada, announces the appointment of William E. Austin as Public Relations Manager, succeeding T. R. Elliott, who has retired under the Company's retirement plan. Mr. Austin is Vice-President of the Toronto Chapter of the Canadian Public Relations Society and is a former Vice-President of the Public Relations Society of America.

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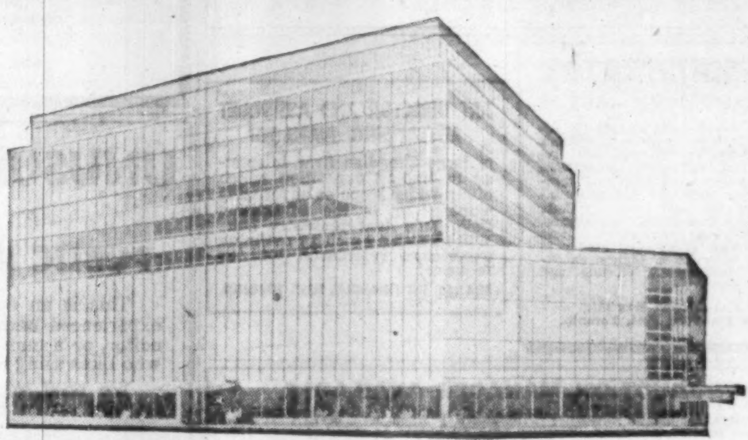
*Announcing* **CANADA'S** *First Full-Scale Merchandising Centre . . . the New, Ultra Modern*

**MANITOBA MERCHANDISE MART**



The Manitoba Merchandise Mart, Winnipeg—first of its kind in Canada—will be ready for occupancy in 1956. The upper floors of this new, four million dollar, centrally located ten-story building will provide choice office space for banks, airlines, insurance companies, investment and financial firms and other business organizations, and a full complement of main floor specialty stores.

**Rental Applications Now Being Received**

As space is expected to be at a premium, rental applications will be reviewed in the order received. Fully illustrated booklet describing the many features and advantages of the Mart is now available. Write wire or phone for your copy to—

The Mart will serve as a showplace for the World's goods, offering manufacturers and distributors permanent facilities in downtown Winnipeg for displaying their products to buyers of the rich and growing markets of western Canada and northern areas of the mid-west U.S. Here retail buyers will shop the world, and here the products of all nations will be on display.

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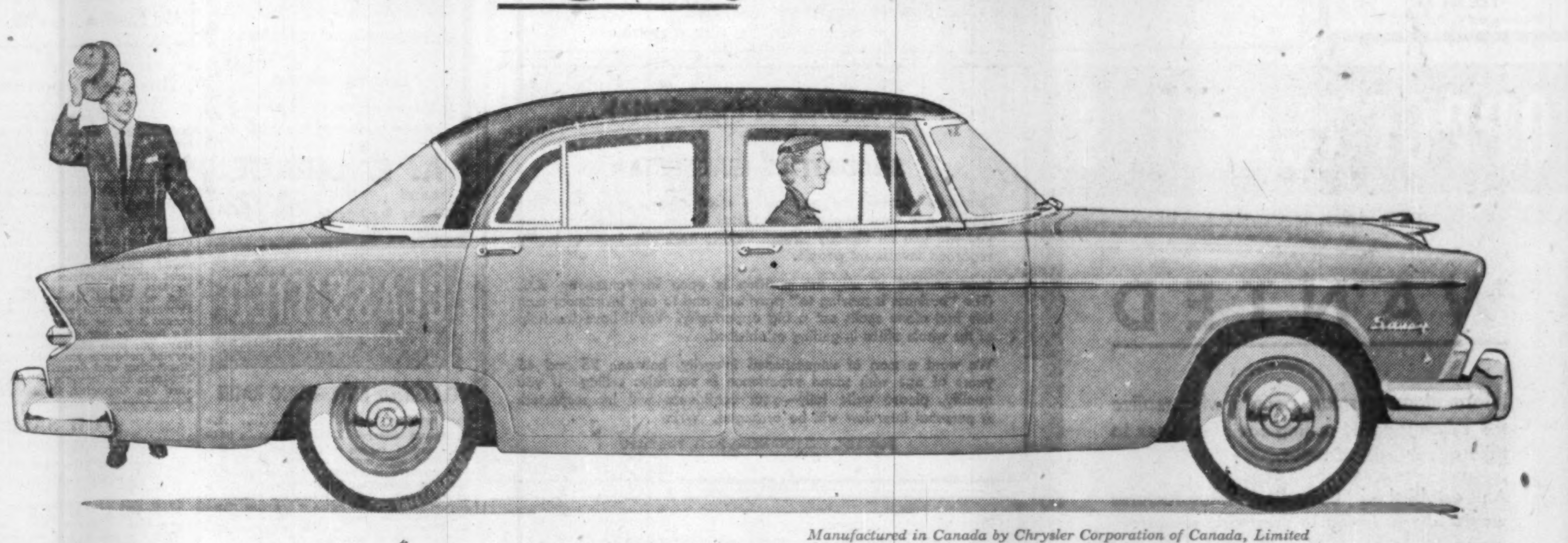
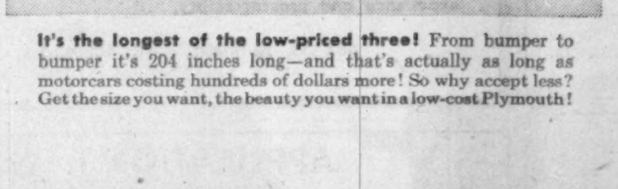


*Manufactured in Canada by Chrysler Corporation of Canada, Limited*

This year, of all years it pays to *look at all three!* For this brilliant '55 Plymouth is all-new from the tires up!

Plymouth is the longest car of the Big Three—actually over eight inches longer than one, over five inches longer than the other! And Plymouth's advanced Motion-Design styling gives it The Forward Look, a feeling of forward movement, even when standing still.

Plymouth's New Horizon swept-back windshield is the first to wrap fully around at top as well as at the bottom—to give you extra vision at eye level where you need it most! Best of all, Plymouth's flashing new Hy-Fire V-8 and the stepped-up PowerFlow Six engines, all give top performance on regular grade fuel! Get the whole exciting story firsthand. Visit your Chrysler-Plymouth-Fargo dealer now!



**It's the longest of the low-priced three!** From bumper to bumper it's 204 inches long—and that's actually as long as motorcars costing hundreds of dollars more! So why accept less? Get the size you want, the beauty you want in a low-cost Plymouth!

**A new first in convenience!** Plymouth's new Flite Control for the PowerFlite automatic transmission is mounted on the instrument panel.

**See and drive the longest . . . lowest . . . liveliest PLYMOUTH ever at your CHRYSLER-PLYMOUTH-FARGO dealer's**

**MARKET COMMENT**

The informed opinion of men experienced in market analysis is given regularly in this investment feature. For profit add their viewpoint to yours. You get them in

THE FINANCIAL POST
BY MAIL ONLY $6 A YEAR

# CAREERS

*This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer*

### WANTED: SECRETARY TO CHIEF EXECUTIVE

of large Insurance Corporation, Montreal. Age bracket 33-40. General Secretarial experience essential. Excellent working conditions; five day week; pension plan. Reply by letter only, stating age, salary expected, and giving references.

**BOX NO. 130, THE FINANCIAL POST, TORONTO**

### ADMINISTRATOR
**PROBLEM SOLVER—AGE 39**

Offers lower costs and better results through improved systems and higher morale employees. Experienced in heavy production, electronics, transportation, warehousing, materials handling, inventory and cost controls. U. S., British, Canadian experience. Achievement audit by consulting firm shows exceptional ability to win cooperation of highest executives, government officials and union labor.

**F. L. Boyer, Box 141,
The Financial Post, Toronto.**

### ART DIRECTOR AND ASSISTANT ADVERTISING MANAGER

of large Canadian firm, interested in finding a position which offers wider scope as advertising manager or in the advertising field, than that presently held. Will furnish a brochure outlining experience, references, etc., on request.

**BOX 152, THE FINANCIAL POST, TORONTO**

### PRODUCTION MANAGER AVAILABLE

**University graduate in chemistry** with fifteen years experience in food and chemical process industries. Familiar with all phases of chemical operation including packaging and bulk materials handling, also three years experience in sales and marketing. Desires responsible position with a future, preferably in chemical plant operation, but will consider related fields. Available on short notice.

**BOX 159, THE FINANCIAL POST, TORONTO.**

### EXECUTIVE ASSISTANT

One of our clients has an opening which would appeal to a conscientious, ambitious young man in the 28-35 age group, who is looking for an opportunity to broaden his experience. Knowledge of public relations and advertising an advantage. Position is that of Assistant to Executive Director of a leading trade association. Remuneration commensurate with qualifications.

Qualifications required — good, orderly and analytical mind, ability to meet people and handle correspondence quickly and intelligently. University education an advantage, but not essential.

**Apply by letter only.** Write fully stating age, marital status, education, business experience, and why you feel you would be a logical choice for this position. Address Mr. S. Boswell, Spitzer & Mills Limited, 50 King West, Toronto.

### EXCELLENT OPPORTUNITY

If you are a keen, progressive business man between thirty and forty years old, with a background of economic and statistical experience, coupled with public relations and trade association work, here is a position which will appeal to you.

In this position you will be manager of a trade association representing a leading Canadian industry. Starting salary will provide an opportunity to grow with the position. Write to

**Box No. 145,
The Financial Post, Toronto**

outlining background of experience and education.

### COMPTROLLER

Office Manager available. Particular experience in budget preparations and control and submitting of application for various types of Government grants.

**Box 148, The Financial Post, Toronto.**

### EXECUTIVE ASSISTANT

SEEKING challenging opportunity. Mature judgment, keenly analytical with many years of executive experience. Strong background in accounting, budgeting, administration, marketing, purchasing. Pleasing but quietly dynamic personality. Replies held in confidence. For resume write to

**Box 147, The Financial Post, Toronto.**

### *For Sale*
### SEAT on the CALGARY STOCK EXCHANGE

Offers for purchase, stating price, should be mailed to..

BOX 143

The Financial Post, Toronto

### WASHINGTON SPECIALISTS

Business-Government representation in U. S. Capitol — information, research, document preparation, contract negotiation, liaison agent, general administrative assistance.

P.O. Box 23
Washington 4, D.C., U.S.A.

# OPPORTUNITIES

### WANTED

Information on smart people who realize the advantage of selling their business to take advantage of taxes.

An established Canadian manufacturer would like to invest in most any manufacturing business dealing in the electrical industry . . . **not consumer goods** . . . and no one will be the wiser that you have a business for sale.

●

BOX 153, THE FINANCIAL POST, TORONTO

### INCOME PROPERTIES
**WANTED BY AMERICAN INVESTOR**

Office Buildings, Hotels, Commercial and Industrial Properties, that yield good net returns. Substantial investment available. Please give itemized statement showing gross rentals, expenses, mortgages, etc.

**BOX 157, THE FINANCIAL POST, TORONTO**

### FOR SALE

**2 mail-a-voice Dictating machines**
**1, 60 cycle, 1, 25 cycle**

**1 Allen Calculator "Electric"**

**1 Burroughs accounting machine**
**serial 21-A952357**

**2 Todd Form master writing boards**

**Box 142, The Financial Post, Toronto, Ont.**

### SALES EXECUTIVE AVAILABLE

Sales manager with thorough background in sales and office administration seeks new association. Excellent record in sales, first-hand knowledge of industrial and automotive accounts throughout Ontario. Possesses integrity, drive, enthusiasm, and an ability to get results. Willing to relocate.

BOX 156, THE FINANCIAL POST, TORONTO

### UNUSUAL OPPORTUNITY
*For A Senior*
### PUBLIC RELATIONS EXECUTIVE

This is an opening that will definitely appeal to an experienced news or city editor, a magazine or business editor, or a man in similar levels of public relations; one who likes using his initiative and exercising responsibility.

We need such a man to manage Canadair's News Bureau.

We believe a live interest in aviation will be an asset: a college education and a knowledge of French useful. Salary will be in keeping with experience and ability; there are other excellent benefits.

Please give full details in replying to the Director of Public Relations, Canadair Limited, P.O. Box 6087, Montreal, P.Q.

### EXECUTIVE ACCOUNTANT REQUIRED

A large Canadian company offers an unusual opportunity to a qualified accountant, C.A., age 35-40, as executive accounting officer of one of its principal divisions.

Diversified and comprehensive experience in all phases of industrial accounting, including budgets, cost control and financial reports to management, is essential. Proven administrative skill is required to direct and control the staff numbering several hundred.

It is unlikely that candidates will be considered unless they have at least seven years' experience in industrial accounting, with a minimum of three years as Assistant Comptroller or Comptroller in a medium to large company.

Long-term opportunities in this company are challenging and attractive.

Applications, which will be treated in confidence, should contain full particulars of qualifications and experience. Envelopes should be marked "Executive Accountant" and mailed to:

**PRICE WATERHOUSE & CO.**
**800 Royal Bank Building**
**Toronto 1 Ontario**

### AVAILABLE SOON
**SALES MANAGER OF NATIONAL MANUFACTURING COMPANY**

engaged in diversified production seeks new position with greater possibilities for advancement.

This man has held four executive appointments with present company and at 36 can show solid merchandising and administrative record.

He has been engaged in merchandising at varied levels:— manufacturing and metal trades, lumber and hardware distributors, big store and dealer outlets—this both in Canada and U.S.A.

With good educational and technical background, desires position as Sales Manager on national level or assistant to Vice-President or General Manager.

BOX 151, THE FINANCIAL POST, TORONTO

### UNUSUAL OPPORTUNITY
### for
### SECURITIES SALESMAN

Unusual—because the position is open with one of Canada's leading and most respected investment houses. Unusual—because you will join an already strong, easy-to-work-with team of highly regarded investment people.

Most unusual of all—the position is open in Vancouver, B.C. (The "business is moving to" province), and to any investment man this fact alone spells out a big opportunity. You'll have the help of the whole office in getting established.

We want a man of unquestioned integrity, between 25 and 45 years of age with sound experience in securities selling. If you qualify, please write fully—your confidence will be respected. A personal interview will be arranged. Write

BOX 154, THE FINANCIAL POST, TORONTO

### TECHNICAL SALES EXECUTIVE

Large Company, engaged in the manufacture of equipment for the Oil and Gas Industries with Canadian and American operations, seeks experienced man to take charge of Canadian sales based in their Toronto office. This position calls for a man of proven administrative ability in engineering and selling, preferably in connection with gas distribution. Age 35-45. Duties will include organization and co-ordination of Company's sales activities in Canada as well as participation in the overall planning of Company Policy. A good initial salary is offered with excellent opportunity for future promotion and increased remuneration. Replies should state candidate's age, education, past experience and present salary.

BOX 155, THE FINANCIAL POST, TORONTO

### APPLICATIONS

for the combined positions of INDUSTRIAL COMMISSIONER for the City of Guelph and SECRETARY-MANAGER for the Guelph Board of Trade will be received until Feb. 28, 1955.

Applications with full details, including snapshot, to be submitted in writing only

**TO
The Chairman
The Guelph Industrial Commission
Office of the Guelph Board of Trade
Guelph, Ont.**

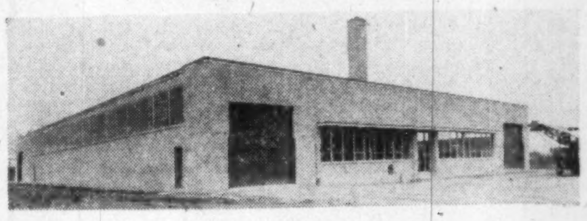
### FOR LEASE IN HAMILTON
**FIRST CLASS COMMERCIAL-OFFICE-DISPLAY SPACE
ON CHOICE MAIN STREET LOCATION**

Prominent Hamilton firm is erecting substantial two storey building. Entire first floor, approximately 50 ft. by 130 ft. with full basement available long term lease. Can be finished to tenant's specifications. Owners will occupy full second floor for offices. Private parking available on property.

*Write or call*

**AT ALBERT A. TAKEFMAN**
309 Pigott Building
JA. 7-0660 HAMILTON JA. 9-5939

### INDUSTRIAL CONSTRUCTION RIGHT FROM START TO FINISH



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- SITE SELECTED for Economical Plant Construction
- DESIGNED by Professional Architects and Engineers
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**FINLEY W. McLACHLAN LTD.**
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according to individual specifications with

**OPTION TO PURCHASE**

**Our Fully Serviced Lots, on Highway, with Railroad Siding are in the**

### REXDALE INDUSTRIAL DISTRICT

*For further information call:* **COFINCO (CANADA) LIMITED**
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Phone: EM. 8-6284

### INDUSTRIAL SITES

**Available For Immediate Building**

RAILWAY SIDINGS
ROADS
WATER
SEWERS

in

METROPOLITAN TORONTO
and
LONDON, ONTARIO

*Detailed information on request*
Ask for Mr. Heine or Mr. Wesley

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# CLASSIFIED
## ADVERTISEMENTS

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|---|---|
| Flat rate, per word | .12c |
| Minimum charge | $3.00 |

Each initial, figure or fraction, abbreviation and sign counts as one word; if a box number is desired, the words "Box 100 The Financial Post, Toronto," count as six words. When replies are mailed to advertiser, 15 cents extra is charged. Closing date—Copy must be in Toronto office by Tuesday a.m. Classified advertising is strictly cash in advance.

### POSITIONS WANTED

**ENGINEERING AND BUSINESS**, 1955 graduate of the University of Toronto, seeks summer employment before proceeding to the Harvard Graduate School of Business Administration. Box 144, The Financial Post, Toronto.

**MECHANICAL ENGINEER**, 28, with construction and comprehensive practical experience, also sales ability, desires a position as Sales Engineer with opportunity for advancement. Box 149, The Financial Post, Toronto.

**ENGINEERING AND BUSINESS** student S.P.S. University of Toronto—graduating in May 55 desires employment with manufacturing or contracting concern. Box 150, The Financial Post, Toronto.

**WESTERN LAWYER**, early thirties, married, with considerable petroleum industry experience, or professional group on west coast or in Eastern Canada. All replies confidential. Box 158, The Financial Post, Toronto.

### FINANCE COMPANIES

If YOU want to start, manage, buy, sell or invest in a finance, loan or discount Company OR if you know of any existing opportunity in this industry, write in confidence to Edward L. Dixon and Associates, 70 Hillcrest, St. Catharines, Ontario.

### GERMAN TRADE FAIRS

Businessman visiting Trade Fairs of Frankfurt, Cologne, Offenbach and Nuremberg in March. Also visiting London. Can accept additional commissions.

H. B. WAGNER, 3567 Hutchinson St. Montreal. MI. 5-5741, Local 38, res. MA. 0178.

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ON FAVOURABLE TERMS
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**E. W. GLADSTONE**
REALTOR
Member Toronto Real Estate Board
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**MONTREAL BRANCH SALES OFFICE** service at very low cost. Let us explain without obligation. MERCHANDISE BUREAU, 1103 Mayor Building, Montreal 2.

**ADDITIONAL LINES WANTED**

**AGGRESSIVE** bi-lingual sales organization calling on Federal, Provincial and Municipal Governments; pulp and paper mills and woodlands divisions; general contractors and sub-contractors; mines; mills; foundries; machine shops, and most other industries. Quebec City office handles that part of Province situated East of Three Rivers with balance of Province handled by Montreal Office. Will accept lines for either or both territories. We buy for our own account for resale. Have our own shop and sales room. We service products we sell. Send literature illustrating and describing your lines to: Products and Services Limited, 247 Boulevard des Capucins, Quebec, P.Q.

### FOR SALE

**PRINCE EDWARD COUNTY
FISHING LODGE RESORT**

In a Fisherman's Paradise, 16 miles from Picton, 10 acres, 800 feet of shoreline. Treed and landscaped. Yacht moorings and docking facilities. 2 Boat Houses. Spacious Rustic Lodge. 8 Bedrooms, 3 complete Baths. Also owner's residence, 2 bedrooms & bath. 2 car garage. Seaplane landing on Bay. Magnificent view. Safe Bathing area. Completely furnished. All utilities and conveniences. Ideal for executive retreat, or groups. Has wonderful resort or estate possibilities. Owners retiring. Priced for quick sale. For appointment and complete details, write

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BELLEVILLE — ONTARIO

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*A Dominion-wide market place for buyers and sellers of land, residences and commercial buildings*

### FOR SALE OR TO LET
### HALIFAX, N.S.

Four Storey Commercial Building comprising on Ground Floor: Showrooms with 2 large display windows and offices; 2nd floor, Office and Warehouse space; 3rd and 4th floors, Warehouse space served by Freight Elevator with separate merchandise entrance, in all about 10,000 sq. ft. of Floor Space. This Building is 40 x 60 and located on Hollis St., in the heart of the Wholesale and Financial Districts and is adjacent to the Bank of Montreal, Royal Bank, Insurance and Trust Company Offices, Customs House, Post Office, etc. It is one of the few available sites in Halifax and can be converted into a modern Office Building or Financial Institution. Excellent opportunity for Upper Canadian Firm wishing to locate in Halifax. Immediate vacant possession. We also have other Commercial Properties from 2500 sq. ft. for sale or rental.

*For further particulars Apply*
**MAX PASCAL**
*Real Estate*
Hollis Street, Halifax, Nova Scotia

### INDUSTRIAL BUILDINGS
**DESIGNED, ENGINEERED, CONSTRUCTED AND FINANCED TO YOUR NEEDS**
### FOR SALE OR LEASE

Preliminary plans, architectural and engineering recommendations, and proposals on a Sale or Lease basis are yours without obligation.

●

**Write for our new Brochure** which contains information about available sites in the Toronto Metropolitan area, and more information about the type of service we have to offer.

●

A COMPLETE SERVICE
•
SITE SELECTION
•
PRELIMINARY PLANS
•
ARCHITECTURAL AND ENGINEERING SERVICES
•
CONSTRUCTION
•
BUILT FOR SALE OR LEASE

**INDUSTRIAL LEASEHOLDS**
OF TORONTO
33 BLOOR ST. EAST, TORONTO PHONE WA. 4-6641

In addition to the above services we have numerous Industrial buildings erected to the stage where they can be completed in 4 to 6 weeks, and thus provide space on very short notice for those who require it.

AVAILABLE NOW—13,000 sq. ft. near O'Connor Drive and Eglinton in our Bartley St. subdivision. Will divide into 5,000 and 8,000 sq. ft. units.

ALSO AVAILABLE—8,000 sq. ft. in our Industry Street Sub-division 10,000 sq. ft. near Caledonia and Eglinton and 20,000 sq. ft. near O'Connor and Northline.

### FACTORIES FOR RENT
**ONLY 40 MINUTES FROM DOWNTOWN TORONTO**

● We can offer for immediate occupation 6,000, 12,000, 18,000 and 24,000 sq. ft. factory units. NEW, MODERN SINGLE STORY BRICK buildings. All services and facilities available; good transportation, ample land for expansion.

**SLOUGH ESTATES (CANADA) LIMITED**
ROYAL BANK BLDG.
TORONTO 1 EM. 3-9033

FOR SALE OR FOR RENT

*Industrial & Commercial buildings by specialists.*

**Commercial Leaseholds Limited offer a complete service on all details from original property survey to completed structure, including financing assistance. Complete project under one control by specialists in industrial design, engineering and construction. Quality construction, low costs, rapid completion, guaranteed.**

*Complete information, without obligation.*
*WRITE TODAY.*

**COMMERCIAL LEASEHOLDS LIMITED**
HEAD OFFICE
HAMILTON, CANADA

ANNOUNCEMENT

**G. H. CLIFFORD SMITH**

Bate Chemical Corporation Limited announced the appointment of G. H. Clifford Smith as President, succeeding Mr. W. B. Bate, Founder, who becomes Chairman of the Board.

Mr. Smith, a graduate Chemical Engineer, is also President of the Corporation's subsidiaries and a Director of a number of other Canadian chemical companies.

# Ottawa Will Hear Appeal In Tire Case

The Tariff Board on March 14 will hear an appeal from three rubber manufacturers against its recent findings in the special brand tire case involving the T. Eaton Co.

In the hearing last November, the Board found that the T. Eaton Co. was not a producer or manufacturer of special brand tires and was not liable for tax on sales of such tires. The Board's finding added:

"In so far as any other special brand' customer may have a relationship with his supplier which parallels that of the T. Eaton Co., he is not liable to account for tax on the sale of such 'special brand' tires."

It has now been claimed by counsel for Goodyear Tire & Rubber Co. of Canada, Firestone Tire & Rubber and B. F. Goodrich Co. of Canada that, in taking this position, the Board is "shutting the door to a full assessment of the facts and the legal effect to be given thereto in all other cases."

**DUN & BRADSTREET of CANADA, Limited**
The Mercantile Agency
ESTABLISHED 1841
*20 Offices in the Dominion*

**LET US TAKE OVER YOUR WAREHOUSING PROBLEMS**
•
750,000 Square Feet For Merchandise Storage
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250,000 Square Feet For Refrigerated Storage With A Complete Temperature Range
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Lowest Insurance Rate
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**TERMINAL WAREHOUSES LIMITED**
Ft. of York St., TORONTO EM. 3-3411

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offered **free** to Executives by

**American Credit**

YOUR copy of the 1955 edition of this famous chart is ready for mailing. All you need do is fill out and mail the coupon below, and you will receive this 45 inch, full color graph that's suitable for framing. It charts national income, consumer spending, business activity, stock price trends, other vital business facts from 1796 to date. Mail the coupon below, today.

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# Trend of Business

**Day-to-day loans** outstanding at chartered banks rose to $41 millions at Feb. 2 from all-time low of $21 millions two weeks earlier. Interest rate charged to investment dealers for these loans has remained at an all-time low of ½% since Jan. 28.

**Woodpulp production** 9,497,182 tons in 1954, up from 8,904,256 in 1953, surpassing all-time high of 9,122,229 tons produced in Canada in 1951. Pulp used in Canada also reached new record, 7,282,714 tons (6,973,447 in 1953). Exports at 2,173,126 tons were below 1951's peak 2,260,834 tons.

**Fine paper production,** basic types, rose by 5.3% to 206,338 tons in 1954 from 195,984 in 1953. In December, Canadian mills produced 16,815 tons, a gain of 1,000 tons or 6.3% over same month previous year. Shipments of coated paper 7.5% greater in December, 5.1% for full year.

**Contract award volume** in January valued at $122,751,700, up 54% from $43,149,100 in same month of 1954, according to Maclean Building Reports. Engineering contracts were up 157%, industrial 84%, residential 75%, business 10%. All regions showed increases except Ontario, where decline was fractional.

**Residential construction** at all-time high in 1954, with 101,965 (96,839 in 1953) units completed, 113,527 (102,409) started, and 68,641 (59,923) under construction at year end. Completions were higher in urban areas, lower in rural districts.

**Civilian labor force** with jobs totaled 5,167,000 in December according to DBS, up 82,000 from December, 1953.

**Cheques cashed** in Canadian clearing centres last year totaled $153,192,527,000, up 7.5% from 1953's $142,533 millions. Value of cheques cashed in 1954 was higher in all economic regions except Prairies, where total dropped 3.5%. In Toronto, value was up 19%; in Montreal, 13%.

**Pig iron output** in December dipped to 185,634 tons from 220,526 a year earlier. In full year 1954, total was 2,213,433 tons vs. 3,012,269 in 1953.

**More bath tubs** were bought by Canadians last year. Total was 158,629, up from 146,013 year before. Sales of wash basins and closet tanks also climbed in 1954.

**Sea-fish catch** jumped 10% in volume to 1.9 billion lb. in 1954. Value was $82,762,000, a rise of 8% over 1953. December landings were up 1% in volume, 6% in value over same month, 1953.

**Salt shipments** totaled 463,654 tons in 1954 to Dec. 1, compared with 11-month 1953 total of 451,541 tons. Stocks were down to 20,033 tons from 23,539 a year earlier.

**Railway freight traffic** loaded at stations in Canada totaled 10.7 million tons in October, 2.4% lower than 11-million ton total year earlier. Receipts from connections destined to Canadian points off 9.1%, in-transit freight off 13.9%.

**Unemployment insurance** claimants numbered 400,830 at Dec. 31 against 274,462 month earlier, 372,363 year earlier. Only Newfoundland, New Brunswick and Quebec showed decreases on the year.

**Motor vehicle** factory shipments totaled 355,786 in 1954, well below 479,649 in previous year and 1952's 432,696.

**Trend to TV noted** in November. Canadian manufacturers sales rose to 94,451 sets from 55,549 a year earlier, while radio set sales declined from 69,713 to 59,245. For 11 months, TV sales were 533,211 (315,272), radio sales 427,599 (550,331).

**Gold production** was 385,406 fine oz. in November, up from 273,309 in same month of 1953 when strikes in progress. Total for 11 months 3,981,374 fine oz., 5% greater than comparable 1953 production of 3,793,900.

**Farm prices index** showed no change throughout last three months of 1954 on national basis. Provincial indexes were lower in December than in November in Prince Edward Island, Nova Scotia, New Brunswick, British Columbia, higher in other provinces.

## Major Weekly Indicators

| | LATEST WEEK | Week Ago | Month Ago | Year Ago |
|---|---|---|---|---|
| Department store sales (% ch. from year earlier) | +6.8% | +14% | —5% | —1.8% |
| Carloading, totals (cars) | 69,117 | 70,032 | 68,513 | 64,294 |
| Eastern Canada (cars) | 44,390 | 43,836 | 41,964 | 44,283 |
| Western Canada (cars) | 24,727 | 26,146 | 26,549 | 20,011 |
| Iron & Steel (m'fd) (cars) | 1,007 | 907 | 1,003 | 1,006 |
| Ores, concentrates (cars) | 2,521 | 2,698 | 2,630 | 2,141 |
| Base metals (cars) | 694 | 579 | 671 | 456 |
| Lumber, timber, plywood (cars) | 3,615 | 3,449 | 3,684 | 2,383 |
| Cement (cars) | 430 | 441 | 497 | 456 |
| Passenger car prod. (no.) | 6,444 | 6,568 | 5,725 | .... |
| Truck production (no.) | 533 | 607 | 741 | .... |
| Bus. failures 4-wk. moving av. (no.) | 34.8 | 33.3 | 27.8 | 29.8 |
| Chartered banks | | | | |
| Personal savings ($ millions) | 5,257 | 5,253 | 5,185 | 4,786 |
| Loans outstanding ($ millions) | 4,022 | 4,031 | 4,114 | 4,106 |
| NHA mtge. holdings ($ millions) | 86 | 83 | 71 | .... |
| Bank of Canada holdings of securities ($ millions) | 2,119 | 2,164 | 2,259 | 2,270 |
| Short term govern. ($ millions) | 1,250 | 1,271 | 1,361 | 1,355 |
| Long term govern. ($ millions) | 876 | 880 | 885 | 890 |
| Other securities ($ millions) | 12 | 12 | 12 | 23 |
| Canadian dollar (U.S. cents aver.) | 103.033 | 103.493 | 103.573 | 103.139 |
| T.S.E. industrial index | 377.98 | 381.79 | 379.02 | 327.77 |
| Yield, 114 stocks | 4.51% | 4.55% | 4.55% | 5.50% |
| Dom. bond yield index ('35=100) | 98.6 | 99.3 | 99.6 | 114.9 |
| Bank clearings | | | | |
| Montreal ($ millions) | 662 | 490 | 582 | 610 |
| Toronto ($ millions) | 783 | 621 | 825 | 723 |

## Facts by the Month

| | LATEST MONTH AVAILABLE | One Month Previous | Two Months Previous | One Year Previous |
|---|---|---|---|---|
| **WHAT WE PRODUCE—** | | | | |
| In all industries (Index) | 254.9 | 256.4 | 253.9 | 250.6 |
| In factories (Index) | 258.8 | 258.5 | 256.8 | 194.1 |
| Total nondurable goods (Index) | 232.2 | 234.5 | 234.7 | 230.7 |
| Food and bev. (Index) | 244.6 | 246.2 | 256.0 | 243.8 |
| Textiles (Index) | 169.0 | .... | 180.0 | 170.6 |
| Clothing (Index) | 149.7 | 151.4 | 149.4 | 156.4 |
| Chemical products (Index) | 281.1 | 285.3 | 282.8 | 285.2 |
| Total durable goods (Index) | 225.1 | 296.1 | 291.3 | 315.5 |
| Iron & steel products (Index) | 248.4 | 250.7 | 250.4 | 290.1 |
| Primary iron & steel (Index) | 263.3 | 241.0 | 228.8 | 326.4 |
| From mines (Index) | 227.5 | 243.7 | 244.8 | 194.1 |
| Metals (Index) | 132.5 | 132.1 | 131.3 | 104.1 |
| Nonferrous smelting refining (Index) | 260.4 | 250.7 | 244.6 | 225.8 |
| Gold (Index) | 111.3 | 106.0 | 108.0 | 79.0 |
| —From farms | | | | |
| Hogs graded (000) | 508 | 431 | 314 | 444 |
| Cattle delivered (000) | 208 | 185 | 149 | 194 |
| Flour (Index) | 154.3 | 158.3 | 157.9 | 158.8 |
| —From sea | | | | |
| E. Coast catch ($000) | 4,723 | 6,129 | 8,628 | 3,643 |
| W. Coast catch ($000) | 6,625 | 7,695 | 5,832 | 4,069 |
| —From forests | | | | |
| Newsprint (000 tons) | 500 | 522 | 526 | 473 |
| Pulp (000 tons) | 779 | 837 | 821 | 757 |
| —In powerhouses | | | | |
| Electricity (Index) (seasonally adjusted) | 287.9 | 268.3 | 261.8 | 235.2 |
| **WHAT WE SELL—** | | | | |
| Retail sales ($ millions) | 1,006 | 988 | 978 | 1,088 |
| Dept. store sales ($ millions) | 153 | 119 | 97 | 142 |
| Wholesale sales (value) (Index) | 385.3 | 388.8 | 401.8 | 361.7 |
| Mfrs. outstdg. orders (value) (Index) | 74.7 | 75.8 | 79.2 | 78.4 |
| Pass. car sales (units) | 16,269 | 15,946 | 23,180 | 21,236 |
| **WHAT'S ON HAND—** | | | | |
| Mfrs. inventories (value) (Index) | 93.1 | 93.3 | 98.7 | 103.2 |
| Dept. store stock sales ratio | 2.5 | 2.7 | 3.0 | 2.4 |
| **SPENDING, SAVING POWER—** | | | | |
| Labor income ($ millions) | 1,036 | 1,030 | 1,014 | 1,012 |
| Dividend payments (Index) (annual rate) | 255.5 | 254.6 | 252.8 | 243.1 |
| **JOBS—** | | | | |
| Employment (Index) | 112.6 | 113.0 | 113.3 | 114.1 |
| Mfg. employment (Index) | 105.5 | 106.3 | 108.3 | 110.9 |
| **CONSTRUCTION—** | | | | |
| Contract awards ($ millions) | 197 | 214 | 181 | 128 |
| **FOREIGN TRADE—** | | | | |
| Exports ($ millions) | 395 | 362 | 369 | 361 |
| Imports ($ millions) | 337 | 373 | 332 | 338 |
| **MONEY—** | | | | |
| Money supply ($ millions) | 5,300 | 5,386 | 5,331 | 5,024 |
| •Cheques cashed ($ millions) | 14,242 | 13,626 | 13,891 | 12,903 |
| •Notice deposits ($ millions) | 5,615 | 5,532 | 5,637 | 5,034 |
| •Current public loans ($ millions) | 3,738 | 3,823 | 3,739 | 3,790 |
| Life insurance sales ($ millions) | 207 | 191 | 197 | 225 |
| **PRICES—** | | | | |
| •Consumer price (Index) | 116.4 | 116.6 | 116.8 | 115.7 |

Index bases: production wholesale sales 1935-39=100; employment, payrolls, 1949=100; consumer price index, 1949=100; manufacturers' inventories, outstanding orders, Dec., 1952=100.

**STRATEGIC MATERIALS—Production and Supply—**

| | Latest Month | Month yr ago | Yr. to date | % chge. yr to date |
|---|---|---|---|---|
| •Steel ingots and castings (000 tons) | 275 | 305 | 3,194 | —21 |
| Primary copper (000 tons) | 26.2 | 17.3 | 275 | +17 |
| Nickel (000 tons) | 13.2 | 13.8 | 144 | +9 |
| Cement (000 bbls.) | 1,935 | 1,929 | 20,929 | +1 |
| Lumber (millions fbm) | 541 | 437 | 5,984 | —4 |
| Lumber exports (millions fbm) | 264 | 315 | 3,307 | +16 |

•New items this week.

**Date of issue for your file, The Financial Post, February 12, 1955.**

# New Gadgets Chase Gloom In '55 Hardware Display

Some 12,000 hardware retailers and buyers crowded into the 50th annual Canadian Hardware & Housewares Exhibition in Toronto this week, most of them with trade gripes.

The hardware retailing business was down last year ($296 millions, against '53's record $311.4 millions), and many of the merchants were blaming it on a combination of do-it-yourself and the big stores, plus the supermarket invasion.

Said one: "Do-it-yourself normally is fine with us. We usually get the home handyman's purchases. But when the big stores start to sell kits for just about everything . . . well?"

Others weren't quite so pessimistic. They believed the fall-off came in Prairie Canada, where sales dropped with earnings from wheat crops last year.

In spite of the background, the hardware industry looked far from gloomy this week. The '55 exhibition was larger, by 11%, than last year's, with 312 firms holding 514 booths. There were new sales-getters galore.

### The Latest Gadgets

To the visitor, the products on display were fascinating in their variety — and in the wealth of good ideas.

New products and gadgets for doing almost everything were on show. Some of the new ones this year:

—A push-button fire extinguisher turned out by **Pyrene Manufacturing Co. of Canada.** It sells at $10.45, with quart refills at $1.35. It is intended for keeping around the house and can deal with any type of fire. Pressure can be built up by using an ordinary air pump for auto tires.

—Also from Pyrene is a new aid to the motorist stuck in snow or mud. Known as Traction Klips, they are two metal clips that can be placed on the rear wheels and which will take the place of chains for the few moments necessary to get clear. The pair, with a tool to get them on and off, cost $6.45.

—The owner of a small flat or tiny summer cottage is well served by a miniature kitchen range developed and marketed by **Brantford Washing Machines Ltd.** The stove with two cooking rings and a fair sized oven, can be plugged into any 110-v socket. Price: $104.50.

Perhaps the most intricate in do-it-yourself items — anyway for the time being — is a spanking, trim 16-ft. speedboat offered in kit form by **Chris Craft** for $499.

—For the gardener with a square lawn who wants to water the grass and not all the surrounding paths, **J. W. Sleeth & Co.** of Toronto offer a new sprinkler that waters in a square pattern of anything from 2 ft. sq. to 35 ft. sq.

### Build Own Alarm

—Another startling exhibit is a do-it-yourself fire alarm. For $27.90 **Edwards of Canada Ltd.** offers all the necessary parts, and wires needed to install a complete alarm system in the home. It sets off a warning bell at the first marked rise in temperature.

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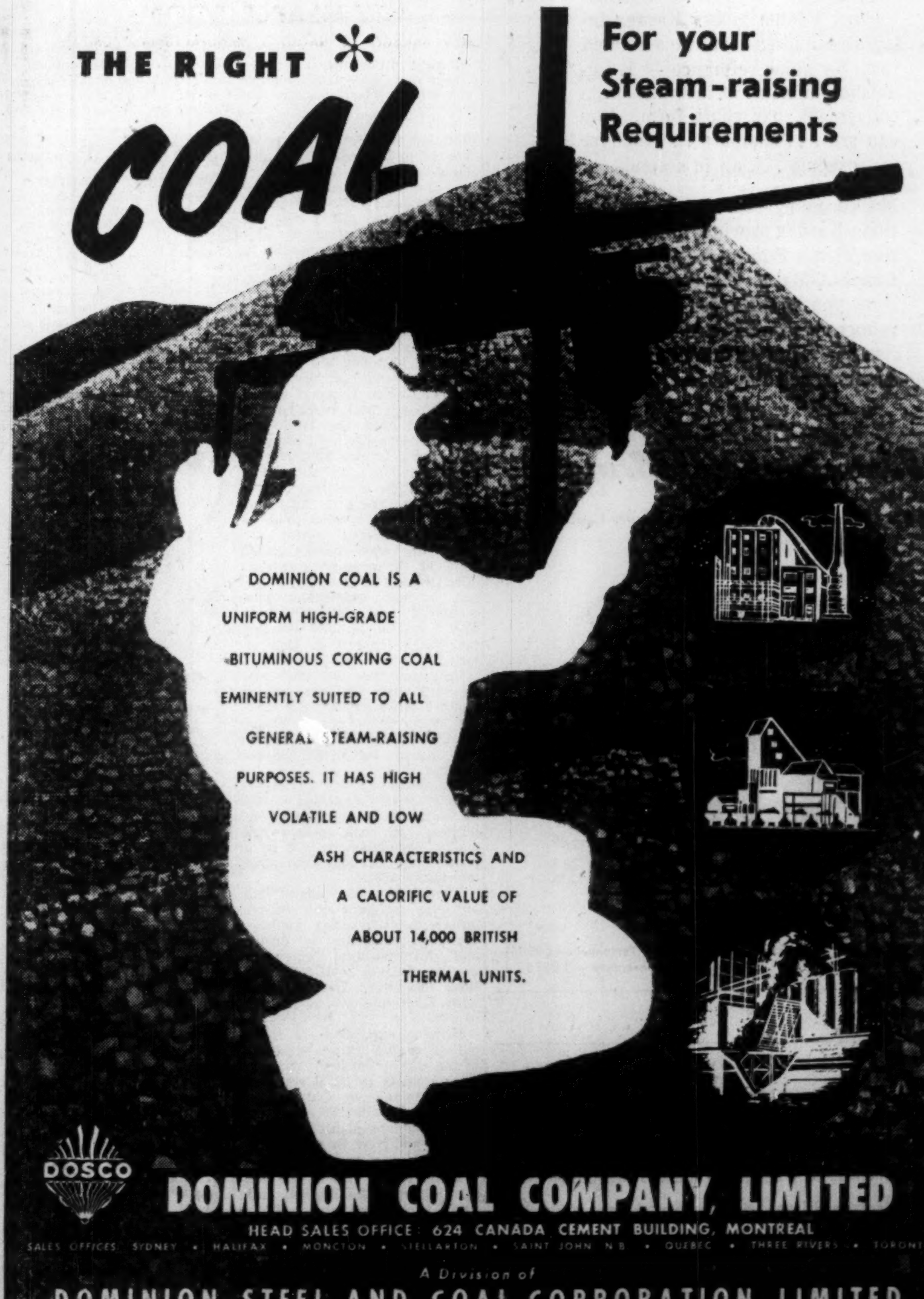

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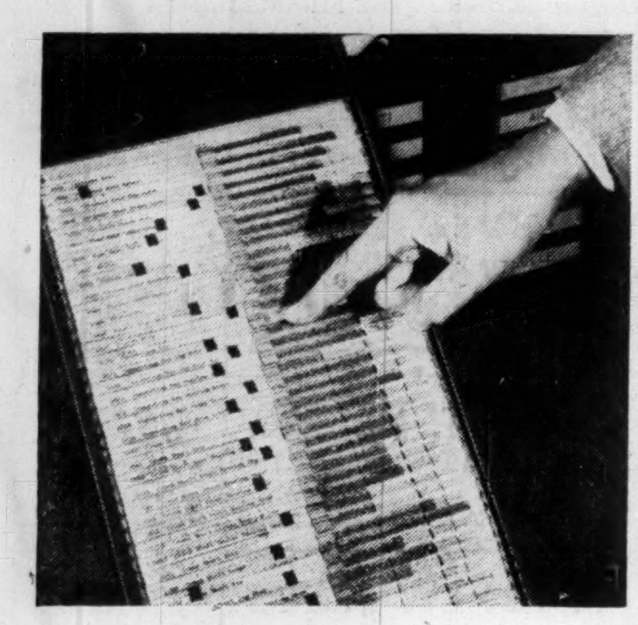

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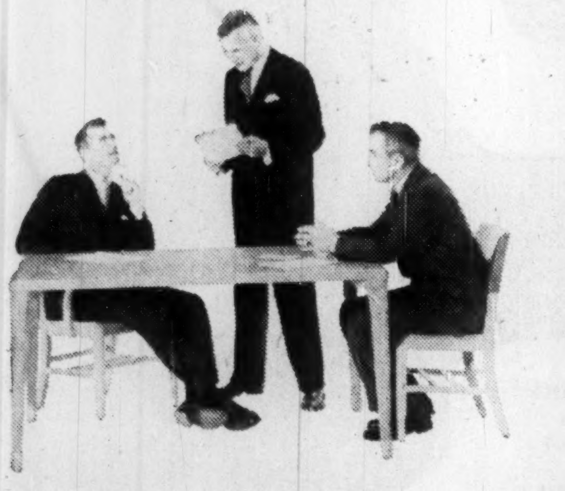

FREE BOOKLETS: Production — X1268; Personnel — CR906; Sales — KD524; Inventory — KD375

● THE BUSINESS CLIMATE

As a steady reading diet, The Financial Post is a nourishing source of accurate information. It brings you informed comment on today's market and business climate, helps you to work more efficiently, to plan wisely, to profit.

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# What's New

**New Products, Applications and Ideas Gathered from World-Wide Sources or Made in Canada for the First Time**

### Good Design Means . . .

. . . efficiency of operation combined with simplicity of line and quality appearance. This is found in three new models of oil heaters. Each cabinet has plenty of room at the bottom for air to enter freely and more room at the top for air to expand as it rises. This plus big openings in the top grille permit a large mass of "warm" air to flow from the heater rather than a small volume of "hot" air. Other features: reflector-faced Fiberglas on inside back wall and aluminum finish on the other walls to keep cabinet cool to touch, conveniently located control lever with cool plastic handle, adjustable legs to permit level setting on any floor. All models finished in two-tone mahogany or two-tone golden glow enamel.

* * *

### Conference in the Pocket

Pocket-size wire recorder, able to record every word of a two and a half hours' business meeting, has recently been developed in Britain. Can be slipped into a coat pocket, is 1¾ in. by 4⅝ in. in size and comes with a microphone which attaches to the underside of the jacket lapel.

*YOU ARE INVITED to publicize your new products in this column. Write, Editor, What's New, The Financial Post, 481 University Ave., Toronto 2, Canada.*

Conversation is recorded on a steel wire 1/2,000-in. in diamter.

* * *

### For Iceless Hockey

Rubber puck for floor hockey slides on inset ball-bearings. Handled with ordinary hockey stick, this heavyweight puck will slide across wood, concrete or tile floors as if they were ice, manufacturer says. Ideal for gym shoe or roller skate hockey enthusiasts.

* * *

### Self-Leveling Ladder

Safety step ladder automatically adjusts itself to rough ground, slanting or uneven floors. Available in 4, 5, 6, 7 and 8 ft. sizes, every step is supported by a ¼-in. rod. The satin smooth woodwork is of best quality kiln dried Douglas fir.

* * *

### Battery Life Saver

On stormy, snowy nights, when you are driving slowly, with your car's lights and heater on, your battery is bearing a terrific load. Sometimes it gives out under the strain. This is because it is generated by direct current. Soon there will be an alternating current generator available at low cost. It's said to be able to deliver almost a third more power and to be able to take care of all demands at low speeds.

* * *

### Stair Climber

Stair-mounting hand truck, said to safely double the load a man can roll up steps and treble the load he can move down stairs, is equipped with a special ratchet mechanism which enables it to roll up stairs step by step as the operator pulls a cable drive. Two-wheel safety brakes often prevent serious accidents. Interchangeable shoes, sealed ball bearings and steel tube construction are said to assure load flexibility and long efficient life. Has large pneumatic tires which add to ease of operation and eliminate any marking of steps. Available in six different models for handling loads of all sizes.

* * *

### Poly-Purpose Polisher

Floor polisher that polishes, scrubs, waxes, and buffs all types of floors, becomes a hand unit by detaching the handle and polishes furniture, simonizes cars, sands woodwork. May be used as a hand drill by attaching a ¼-in. chuck drill.

* * *

### Ridgeless Roller Sleeve

Seamless sleeve, with thick lamb's wool pile, is designed for use with paint rollers. Eliminates any seam or joint marks presently found on conventional dip-type paint rollers. added advantage: Easily removed for washing, cleaning or color changes. The high pile cover is extremely rugged.

* * *

### No-Wash, Fast Processor

"Washless" rapid processing chemicals kit, for use with oscillographic photographic recording papers, is said to eliminate final water bath and increase production up to 50% — of particular advantage to the aircraft and petroleum industries. Designed for continuous processors, the ready-to-mix kit consists of a developer, a short-stop bath and a stabilizer. Produces clean prints of high contrast at processor speeds of eight linear feet a minute. Development time is approximately 15 seconds, compared to about 60 seconds in other developers. Does not produce images as permanent as conventional processing but they will remain legible for several years.

* * *

### Ledgerless Bookkeeping

System of bookkeeping, designed for small and medium-sized business, does away with individual general ledger sheets. With only one posting, you automatically have trial balance, permanent ledger record, statements of profit and loss and balance sheet, both monthly and cumulative. Said to simplify bookkeeping and drastically reduce costs.

* * *

### No-Nail Crate

Shipping container, containing no nails, screws, or hooks, can be assembled or taken apart in one minute, it's said. Held together by simple patented bracing devices, it's sturdy and completely reusable.

# Petrofina Outlines Plan To Build Big Business

MONTREAL (Staff)—Canadian Petrofina Ltd., the Belgian-controlled newcomer to Canada's competitive oil industry, expects to be blanketing Quebec and Ontario with about 925 retail outlets by the end of 1955.

In a prospectus filed with the SEC to cover its offer to shareholders of Calvan Consolidated Oil & Gas Co., Petrofina states that 451 of the outlets will be in Quebec and 474 in Ontario. Included are 100 in Toronto area.

The prospectus outlines progress to date and future plans.

The offer to Calvan, it's noted, is one step in the company's plan to expand and become a fully integrated producer. If accepted, Calvan will be operated as a subsidiary, with greater emphasis being given to development of proven and semi-proven properties. Calvan, at Aug. 31, 1954, had Canadian oil reserves estimated at between 10.6 million and 11.8 million bbl.

Among other key points revealed:

—The company, which has been buying most of its gasoline from British American Oil pending completion of its Montreal East refinery, came up with an operating loss for the first nine months of 1954. But this was converted into a small net profit, thanks to interest on temporary investments.

—It may float a $20 million convertible debenture issue this year.

—Total outlays on its production and marketing facilities by the end of 1955 will hit $61 millions.

—The present market price of Canadian Petrofina preferred shares (about $20½ vs. the original issue price of $10) appears to have "discounted, at least for some time, the company's prospects of future growth and earnings."

**$4 Million Sales Revenue**

The offer to Calvan shareholders consists of six shares of Canadian Petrofina $10 par participating preferred shares for each 17 Calvan common shares. Details were first revealed last September, but the offer was not made formally until recently. It is due to expire Feb. 28 (but can be extended), is contingent on at least 51% of Calvan shares being deposited. If fully accepted it will involve issue of 1,751,428 preferred shares.

For the nine months ended Sept. 30, the prospectus reveals, sales revenue of Canadian Petrofina totaled $4,078,821. That compared with $317,458 from May 1 to Dec. 31, 1953 (its first gas station opened in October, 1953).

Operating loss for the 1954 period totaled $334,765. Adding $380,386 other income, and making small deductions, produced a net profit of $37,915. In the 1953 period, a net loss of $49,485 was shown.

The company's new 20,000 bbl. refinery is now expected to cost $28.7 millions, of which $7.7 millions had been spent to the end of September. It will be in production during the third quarter of 1955.

While this is the biggest item on the construction agenda, outlays on marketing facilities, mortgage assistance to dealers and transportation equipment are expected to total $20.5 millions this year. That compares with $11.9 millions to the end of 1954.

Besides expansion in retail outlets to 925 (there were 313 at the end of October), the company expects to build six pipeline terminals in Ontario this year, along with 26 other terminals and bulk plants in Ontario, Quebec and New Brunswick.

**How Growth Was Financed**

To finance its growth, the company reaped $25.7 millions from sale of preferred and ordinary shares up to Nov. 30. Its Belgian parent organization has subscribed for another $15 millions worth of ordinary stock, of which $5 millions have been called to date.

No details of the possible $20 million debenture issue have been finalized. But it may be convertible into preferred shares.

Much of Canadian Petrofina's marketing expansion is being financed on the "sale, lease-back" principle. In 1954, it is stated, $5.9 millions worth of marketing facilities were sold to Fina Enterprises Ltd. and Canadian Leasebacks Ltd. Another $14 millions worth may be handled in a similar way this year.

Total assets of Canadian Petrofina at Sept. 30, 1954, amounted to $26,932,002. Current assets totaled $10,415,688, including cash and liquid investments of $8,495,099, while current liabilities amounted to $1,249,072.

If all Calvan shares are deposited, the company will have a total of 3,825,128 preferred shares outstanding, in addition to 10 million $1 par ordinary shares.

Several options are outstanding on the preferred shares (at par) as follows:

| | |
|---|---|
| W. L. S. O'Brien | 20,000 |
| Petrofina (parent co.) | 10,000 |
| Various employees | 21,300 |

In addition, Leopold Walford and C. D. McCarthy will each receive an option on 100,000 preferred shares at $19 each if more than 51% of the Calvan shares are deposited.

Three of the options are for services in connection with the formation of the company (in the case of the O'Brien option) and the setting up of the proposed Calvan deal (in the case of the Walford and McCarthy options).

## Cdn. Foods Products Operations Improve

Improved efficiency and lower costs as a result of consolidating production and office facilities are beginning to show in operations of Canadian Food Products in Toronto area, said President E. J. Spence at the annual meeting.

Retail divisions are profitable and show progress, but the candy division continues to be seriously affected by heavy taxation and high raw material costs, reported Mr. Spence.

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ANNOUNCEMENT

CONSOLIDATED APPOINTMENTS

D. M. FENNY

A. G. LUSH

It has been announced by Mr. C. D. Roblin, President of Consolidated Industries Ltd., and of Consolidated Motors Ltd., that Mr. D. M. Fenny has been appointed General Manager of Consolidated Industries Ltd., and of the Parts and Accessories Division of Consolidated Motors Ltd. Mr. Fenny comes to Consolidated with fifteen years experience with one of the largest corporations in the automotive and transportation field.

Mr. A. G. Lush, formerly General Manager of Consolidated Industries Ltd., and of the Parts and Accessories Division, has now taken over special duties with Consolidated Motors Limited.

CORPORATE CONSTRUCTION NEWS

RE: THE BELL TELEPHONE COMPANY

ARCHITECT: Charles Dolphin

CONSULTING ENGINEER: H. Hooper

MECHANICAL ENGINEER: Nicholas Fodor.

GENERAL CONTRACTOR: Soules Construction Ltd.

HEATING CONTRACTOR: Reg. H. Steen Ltd.

OILBURNERS: One BR 1404 size No. 1 RAY fully automatic rotary oil-burner developing 35 boiler horsepower.

This building at 2150 Bloor Street West, Toronto, built in 1950 and owned by High Park Properties Ltd., contains the Bell Telephone Company's West Toronto District business and Plant Department offices and the collection offices for the coin telephones in the Toronto areas.

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Just last October we sold over 40 Nursery Sets during the two days following a mid-week ad for this item in the Star. As much of our business comes from outside Toronto, we depend on the Star's wide out-of-town coverage to reach this market fast.

In three years we have been able to triple the size of our Yonge Street premises and the current year has proved to be the biggest in the Company's history. Now 90% of our advertising goes to the Star!"

M Emery

Mark Emery, President
Babyland Furniture & Playthings Ltd.

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